# BUDGET 2007
## MANAGING OUR GROWTH

## Business Plans

Alberta

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MANAGING OUR GROWTH

# Business Plans

April 19, 2007

Alberta

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# GOVERNMENT OF ALBERTA
# STRATEGIC BUSINESS PLAN

**THE VISION**

**"A vibrant and prosperous province where Albertans enjoy a superior quality of life and are confident about the future for themselves and their children."**

BUDGET 2007
MANAGING OUR GROWTH

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# MESSAGE FROM THE PREMIER

Alberta is in an enviable position. The province is debt free and holds tremendous potential.

But as our province grows and changes we also face challenges. Albertans expect their government to deal with these pressures and demands. That's why we have developed a clear plan that will yield tangible results.

This plan is built on the principles of fiscal discipline and achieving results for today and the future. Overall it is focused on key outcomes for Albertans: a better quality of life and a chance to share in the province's good fortune.

To achieve these outcomes, government has set out five priorities, which are to:

- Govern with integrity and transparency;
- Manage growth pressures;
- Improve Albertans' quality of life;
- Build a stronger Alberta; and
- Provide safe and secure communities.

This strategic plan outlines immediate and longer-term actions for each of these priorities. Additional details and measures are provided in each ministry's business plan. As we work toward these goals, we're focused on achieving results for Albertans. As part of our commitment to accountability, we'll provide regular reports on our progress throughout the year.

Albertans have every reason to be optimistic about the future. We're in a great position to move forward, and working together we will achieve great things!

Ed Stelmach

Ed Stelmach
Premier

## PURPOSE

The Government of Alberta Strategic Business Plan sets out the vision, long-term strategic plan, government priorities and three-year business plan that outlines the government's goals, strategies, and measures necessary to track results in the shorter term. The five government priorities are highlighted and deliverables for the next 12 months for each of these priority areas are set out.

Ministry Business Plans are published annually and cover a three-year planning period. These plans support the long-term vision and strategic plan.

## VISION FOR THE FUTURE

**"A vibrant and prosperous province where Albertans enjoy a superior quality of life and are confident about the future for themselves and their children."**

Our vision for the future is of a province where all Albertans can realize their full potential, where we work together as stewards of Alberta's natural beauty and resources, and where sustained economic growth leads to continued prosperity and realized opportunity. The vision builds on the shared values that Albertans hold – values such as fiscal discipline, community spirit and self-reliance.

In close collaboration with the Alberta government, individuals, communities, industry, non-profit organizations and businesses all have an important role to play in achieving the vision for Alberta. Government leadership provides the framework – the fiscal, economic, social and regulatory policies that will position Alberta to respond to opportunities and address challenges.

## ALBERTA TODAY

**Alberta is recognized around the world as a great place to live, work and visit.** Albertans have built a province that leads the nation in nearly all economic indicators and provides an ideal environment for citizens to pursue their dreams and achieve their full potential.

As a province that is blessed with an abundance of natural resources, Alberta enjoys a vast array of opportunities. However, today's opportunities are different than those in the recent past. This strategic plan and our commitment to it ensures that Albertans and their government build on the foundation developed in the past and are moving forward with clear direction and purpose.

**Alberta is flourishing.** Alberta is experiencing strong economic, population and job growth, rising incomes, and budget surpluses that enable Albertans to experience a high quality of life. The province is in the midst of one of the strongest periods of economic growth ever recorded by any province in Canadian history. Alberta's total Gross Domestic Product rose 43 percent between 2002 and 2005. Economic growth in 2006 was greater than six percent and the annual rate of growth is projected to average between three and four percent over the next three years, higher than the average for Canada and the United States. With about $160 billion in capital projects planned or in progress in Alberta, the pace of growth is not expected to slow significantly in the near future.

**Prosperity brings tremendous opportunity, but it has also created some unique challenges.** The pace of growth is impacting Albertans, our communities and our natural environment. Labour shortages are growing and becoming more pronounced, due to Alberta's aging population, increasing demand and greater global competition for labour. Alberta's comprehensive labour strategy, *Building and Educating Tomorrow's Workforce*, is focused on addressing these labour challenges and ensuring that Alberta is well prepared for future demands and opportunities. A made-in-Alberta Immigration Strategy will build on these efforts.

**Pressure on our infrastructure, transportation and services is increasing.** Managing growth continues to be the most significant challenge facing the province. The Alberta government is developing a long-term plan to address existing infrastructure needs and future investment that continues to support economic growth and a high quality of life. Economic and population growth means increased stress on our natural resources and environmental integrity. Initiatives such as the *Water for Life Strategy*, the *Land-use Framework*, the Comprehensive Energy Strategy and updates to *Alberta's Climate Change Strategy* are all focused on environmentally sustainable development and growth. Finding affordable housing is becoming a significant challenge across the province. Home prices have increased approximately 30 percent year-over-year for all types of homes and we are experiencing very low vacancy rates and large rent increases. The establishment of a Housing Task Force is one of the key steps being taken to address these challenges.

**Who we are as Albertans is changing.** Alberta's growing population, though currently the youngest in Canada, is aging. Our overall population is expected to grow by 1.7 percent a year between 2006 and 2011, about three times the national average. It is projected that Alberta will have over 3.6 million people by 2011. We are continuing to become more urbanized and more culturally and ethnically diverse as the province's advantages attract thousands of people from other parts of Canada and the world. In addition, the Aboriginal population in Alberta continues to grow at a faster rate than the non-Aboriginal population. Strong rural communities and a more resilient agriculture sector remain key to Alberta's economy, culture and quality of life. *A Place to Grow*, the government's rural development strategy is focused on ensuring that our rural communities thrive.

**Albertans enjoy a high quality of life**, a reflection of all the elements that make Alberta a good place to work and visit: a strong education system, a strong and efficient health system, readily available supports for children and families, safe communities, a high quality environment, recreation opportunities and a vibrant cultural community. Changes that ensure greater access and efficiency in health care and access to affordable, quality education are core to Alberta's success now and in the future. In the area of health care, in addition to efforts to improve productivity and accountability in health care delivery, we will continue to focus on wellness, injury reduction and disease prevention to build a sustainable public health care system. Alberta's prosperity and high quality of life continues to be shared with all Albertans, including low-income Albertans, persons with disabilities, seniors and members of our Aboriginal communities.

**If we want future generations to enjoy the quality of life we have now, we need to manage surplus resource revenues in a responsible manner and save for our future.** This includes continuing to set aside a significant portion of each year's surplus to support long-term priorities that will benefit Albertans in the future and investing in priority areas such as education, infrastructure, health and other priorities identified by Albertans. It means continuing to broaden Alberta's economic base and insulating the economy from external shocks by growing value-added and knowledge-based industries, enhancing innovation and productivity and addressing challenges arising from the pace of growth.

Alberta is in an enviable position nationally and globally with a strong economy, a recognized reputation for leadership, a high quality environment and a vibrant and growing population. The province is increasingly recognized in Canada and in the world as an innovative, entrepreneurial leader. Alberta's successes contribute to a stronger Canada in diverse and exciting ways.

## LONG-TERM STRATEGIC PLAN

The Government of Alberta Strategic Business Plan recognizes that, despite our vast opportunities, there are also challenges to address, and that we must all work together to ensure that Alberta continues to be a vibrant province where Albertans enjoy a superior quality of life and are confident about the future for themselves and their children.

The strategic plan for Alberta and our commitment to follow it requires openness and accountability on the part of government. It means that in both the short- and long-term, the government will be clear about the direction it is taking, ensure our actions are aligned with this direction and hold ourselves accountable to Albertans for results. Governing with integrity and transparency is fundamental to the success of our strategic plan and the long-term objectives for the province.

Our long-term strategic plan includes:

- **Focusing on Alberta becoming a world leader in innovation, research, development and commercialization of new ideas.** To achieve exceptional growth, Alberta's economy must expand from its natural resource base, enhance the value of manufactured goods and business services and venture boldly into bio-technology, the life-sciences, nano-technology and other research and development opportunities. It is vital that a broad range of initiatives are undertaken to attract, develop and retain a diverse and productive workforce. A made-in-Alberta immigration policy is key to attracting people to the province and allowing them to make the greatest possible contribution to the province.

- **Building on our strengths, through research and technology that supports more effective, efficient and responsible development of our renewable and non-renewable resources.** This includes continuing to use our natural resources wisely by ensuring that our land base is used efficiently, water resources are effectively managed and competing interests are managed for the benefit of all Albertans. The government will also encourage innovative solutions on climate change and ensure a balanced and sustainable approach to economic development and growth including addressing the environmental impacts of cumulative effects.
- **Making sure Albertans have the opportunities they need to learn, adapt and develop new knowledge and skills.** Government's role is to ensure an excellent, accessible and affordable learning system is in place that meets the needs of learners, society and the economy. Participation in education is a shared responsibility of learners, parents, stakeholders, the general public and the government. The learning system must support the development of the province's human capital to ensure Alberta is a leader in our knowledge-based world.
- **Continuing to build a business environment that positions Alberta to be recognized around the world as an excellent place to do business.** An important strategy for the government is to ensure reliable export markets and strengthen partnerships within Alberta and Canada. The Alberta government will also continue to work with local governments, economic development authorities, industry and others in the community to ensure infrastructure and transportation systems support economic and demographic growth.
- **Ensuring adequate revenue through a tax regime and fiscal policies that recognize the volatile nature of resource revenues.** This includes continuing to place priority on planned, stable expenditures, including capital expenditures, and looking at new approaches to fund capital projects. The Alberta government will also foster improved productivity and support an environment where business can continue to succeed by maintaining a competitive tax system, removing unnecessary rules and regulations and promoting a positive labour environment.
- **Focusing on developing a superior quality of life for Albertans.** Albertans have come to expect high-quality social programs and services, and the Alberta government remains committed to providing them. The government must make sure that its revenues are sufficient to meet the costs of these programs and take steps to keep these programs affordable and sustainable without sacrificing quality. Innovation will play an important role in improving services for Albertans.
- **Establishing new methods of program delivery and funding.** In health care, the government will move ahead with multiple initiatives to meet patients' needs and positively impact the health of Albertans. The province will focus on greater efficiencies in health care spending and work with health care providers to promote health and wellness and make services more efficient and accessible for all Albertans. The government will also place a priority on children's services, particularly those that are designed to help them learn. As well, the province will encourage initiatives to assist families, enhance the participation of Aboriginal people in the economy, and ensure that seniors and Albertans with disabilities enjoy adequate incomes and have access to the supports necessary to lead independent lives.
- **Working with communities, the private sector, families and individuals to build a future where there is less crime in our communities and Albertans feel safer and more secure.** The Alberta government will continue to work with the federal government to take tougher positions

against violent crimes and those who commit them and improve our commitment to policing. The government will promote partnerships to support the development of safety standards and programs and initiatives on injury prevention and safety on our streets. In addition, there will be a continued focus on mitigating, preparing for, responding to and recovering from emergencies and disasters at the provincial and local levels.

- **Supporting community needs and continuing to recognize the value of the province's artistic and cultural diversity.** Albertans value culture and embrace a broad definition of culture that includes Alberta's arts and historical and natural heritage. The government is developing a culture policy for the province and has renewed its commitment to foster a culturally vibrant province that will enhance the quality of life for all Albertans and attract the creative and skilled knowledge workers Alberta needs to ensure its continued prosperity.

## FIVE GOVERNMENT PRIORITIES

The Government of Alberta Strategic Business Plan is focused on ensuring that Alberta keeps pace with strong economic growth and becomes an even better place to live, work and visit. It also sets out the five government priorities that will be the focus for government action:

- Govern with Integrity and Transparency;
- Manage Growth Pressures;
- Improve Albertans' Quality of Life;
- Build a Stronger Alberta; and
- Provide Safe and Secure Communities.

Strategies that support the five government priorities, and will be the focus for government over the next 12 months, are highlighted below. Ministries will work with Albertans to deliver on these strategies and the additional strategies that support the five priorities, which are set out in mandate letters for each Minister. All of these strategies are reflected in ministry business plans and will be achieved through close collaboration and cooperation across a number of ministries.

### Govern with Integrity and Transparency

Albertans expect fair, honest, streamlined government and the province's first priority aims to deliver just that. Integrity and openness will be at the forefront of how elected officials and government staff conduct themselves.

#### Strategies

- Establish a lobbyist registry, prevent lobbyists from contracting with government on the same subject matter and release information on government contracts on a regular basis to improve accountability and make government business more transparent.
- Review government agencies, boards and commissions to improve their transparency, accountability and the way they are governed.
- Develop democratic reforms that include opportunities for all-party committees to work together to better serve Albertans.

### Manage Growth Pressures

Alberta's economy has led the country for years and our pace of development is at record levels. In the last five years, almost half a million people moved to Alberta from other provinces. As the province undergoes unprecedented growth, the Alberta government is reinforcing its commitment to addressing pressures on housing, labour, infrastructure and the environment.

#### Strategies

- Establish a Housing Task Force to develop a plan to increase the availability of affordable housing.
- Continue to implement Alberta's comprehensive labour strategy, *Building and Educating Tomorrow's Workforce*, that includes an Aboriginal and Métis skills, training and labour force development initiative and sector strategies to address needs in areas such as tourism and hospitality, construction, manufacturing, health care, energy and mining.
- Develop a made-in-Alberta immigration strategy to attract skilled labour and other professionals to the province.

- Develop a long-term capital plan that addresses maintenance needs and rising inflation costs and will meet the needs of today and the future.
- Implement a plan to respond to the unique challenges and pressures related to the development of the oil sands.
- Establish an Agriculture, Forestry and Environment Institute to increase environmentally-friendly industry competitiveness and growth.
- Develop a *Land-use Framework* to address conflicts over competing use of land and provide a vision for an integrated sustainable land-use approach that balances economic, environmental and social concerns.
- Update Alberta's climate change plan.
- Develop a comprehensive energy strategy for the development of renewable and non-renewable energy sources and the conservation of energy use.

### Improve Albertans' Quality of Life

Albertans have high expectations for our health care services and the programs and services provided to our children, families, seniors, Aboriginal communities and persons with disabilities. They also place a high value on clean air, water and open spaces. Government will work hard to achieve what Albertans seek: a better quality of life and a chance to share in the province's good fortune.

**Strategies**

- Based on input received from Albertans and recommendations from an MLA committee, develop a Community Spirit Program for Charitable Giving that will support increases for private charitable donations through tax credits, and establish a Community Spirit Fund to provide matching grants for eligible philanthropic donations to Alberta-based registered charities.
- Improve supports and services for persons with disabilities through better coordination and integration of programs.
- Increase health care productivity and make changes to ensure long-term sustainability of the system.

### Build a Stronger Alberta

For years, the province has enjoyed its status as an economic powerhouse, but additional steps need to be taken so that all Albertans have opportunities today and in the future. This means diversifying the economy and promoting Alberta on the national and world stage. It also means preparing for all potential financial scenarios and maintaining fiscal discipline.

**Strategies**

- Conduct an open, transparent review of the resource royalty and tax regime to ensure it is fair to both industry and Albertans.
- Create a Financial Investment and Planning Commission to explore options for long-term investment strategies for Alberta's non-renewable resource revenues.
- Respond to the Ministerial Council on Sustainability recommendations on roles and responsibilities and establish a long-term $1.4 billion funding arrangement with municipalities to be phased in over the next four years.
- Build on initiatives to increase access, affordability and quality in post-secondary education.
- Establish a Value-Added and Technology Commercialization Task Force to encourage investment and research in knowledge-based industries.

### Provide Safe and Secure Communities

Albertans should feel safe in their homes and communities. Working with communities, government will establish effective policies and programs that support a future where the incidence and impact of crime is reduced and Albertans feel safe and secure. The government will work with partners to ensure communities are stronger and safer, safety standards are met, and people and property are protected from hazards.

**Strategies**

- Establish a Crime Reduction and Safe Community Task Force to find ways to reduce crime and improve public confidence in the justice system.

The government will work with community leaders to establish the Task Force that will consult with Albertans on how to reduce crime and improve public confidence in the justice system. This will build on the work already being done to develop and implement an integrated crime reduction strategy. As well, the Alberta government will work with federal, provincial, and territorial partners on amendments to the *Criminal Code* of Canada to protect the public interest and enhance public confidence in the justice system, with a particular focus on taking tougher positions against violent crimes and those that commit them. The government will also enter into negotiations to renew the contract with the RCMP and develop a law enforcement network that will better coordinate law enforcement agencies.

## WORKING TOGETHER

The Alberta government works collaboratively with a number of partners on an on-going basis to achieve its vision, priorities, goals and strategies. These partners range from multi-stakeholder advisory groups to formal agencies, boards and commissions, and private sector delivery agencies. The government and its partners are committed to accomplishing common goals in a transparent and accountable manner to ensure we meet our commitment to all Albertans.

Alberta government employees also contribute to achieving the vision, priorities, goals and strategies for Alberta. The Alberta Public Service Workforce Plan provides a common focus for creating a challenging and rewarding workplace that will help attract, develop and engage employees. Members of the Alberta Public Service have a proud tradition of service excellence by supporting the government in achieving its goals and continuing to develop and deliver high-quality programs and services for Albertans.

A shared vision and values to guide the work of the public service provides clear direction on what the public service is striving to achieve. Common values are a foundation for the way the public service does its work – with each other, with public and private sector partners, and with Albertans.

The Alberta Public Service vision and values are:

### VISION

Alberta's Public Service: Proudly working together to build a stronger province for current and future generations.

### VALUES

**Respect**

We foster an environment in which each individual is valued and heard.

**Accountability**

We are responsible for our actions and for contributing to the effectiveness of the public service.

**Integrity**

We behave ethically and are open, honest and fair.

**Excellence**

We use innovation and continuous improvement to achieve excellence.

# THREE-YEAR BUSINESS PLAN

## Accountability to Albertans

The *Government Accountability Act* requires that the government annually publish a three-year consolidated fiscal plan, capital plan, and government business plan. The following three-year government business plan addresses the significant opportunities and challenges facing Albertans over the next three years and positions Alberta to make the most of its economic, social and natural advantages. It is a plan to strategically manage growth and plan for a sustainable and secure future.

## Core Businesses and Goals

The 2007-10 government business plan sets out 10 core businesses with goals that are broad statements of what the government is trying to achieve. Each of the government's goals sets out strategies that support the goal and the resources that will be used in working towards the goal over the next three years. The information is presented in the following sections:

**What it means** – A description of the goal and links to related goals.

**Three-year strategic focus** – The strategies under each goal are major initiatives, over and above ongoing program and service delivery responsibilities, that address significant opportunities and challenges related to the goals. Strategies that will be the focus for the government over the next 12 months are highlighted with a checkmark (✔). Many of the strategies, including those highlighted with a checkmark, are set out in the mandate letters issued to each minister. All of the strategies are reflected in ministry business plans and will be achieved through close collaboration and cooperation across a number of ministries. For further information, see the three-year business plans of the ministries shown in brackets.

**Link to ministry business plans** – This section lists those ministries that direct spending toward achieving the goal.

**What it Costs** – This section shows the annual provincial spending directed at achieving the goal. For those goals where capital spending is incurred, a graph demonstrating spending is shown. Capital plan spending includes grants to local authorities for capital purposes; spending on provincial government-owned capital; and the value of projects being alternatively financed. It does not include capital amortization and financing costs. In the Appendix, the Expense by Goal by Core Business and Expense by Goal by Ministry tables summarize the planned spending over the next three years.

**Performance Measures** – Performance measures track progress toward the goal. Targets for performance measures are established based on what the government would like to achieve given previous results, budgeted resources and the effects of significant factors that may influence the results.

## Reporting Results

The *Government Accountability Act* also requires that government annually publish the results of its performance and explain significant variances from the targeted results. Performance results for the 2007-10 government business plan will be published in the 2007-08 Government of Alberta Annual Report at the end of June 2008.

## Core Business: Agriculture, Resource Management and Economic Development

Agriculture, Resource Management and Economic Development includes policies, programs and services related to agriculture, fish and game, oil, gas, coal, minerals, forestry, economic development for industry and trade, tourism and film, and other economic sectors, labour force development and immigration, and research establishments. Progress toward Agriculture, Resource Management and Economic Development results in progress being made toward achieving the core businesses of: Education; General Government; and Transportation, Communications and Utilities.

### GOAL ONE 1 Alberta will have a prosperous economy

**What it means** Sustainable economic growth and prosperity across the province are essential to maintaining and improving Albertans' overall quality of life. Innovation, value-added diversification and global competitiveness, and balanced and responsible use of our natural resources are key to sustaining the momentum of Alberta's economy. Maintaining the province's competitive advantage encourages growth of the province's international exports and tourism attracts investment. Improvement in the skills and productivity of the workforce and support for immigration are necessary to address the labour market needs to sustain Alberta's economic growth. Supporting the capital planning process and administering a variety of long-term grant programs for municipalities allows for the management of urban and rural infrastructure growth pressures. Wise use of the province's land, forests, fish and wildlife sustains them for future generations and supports economic development.

**Three-year strategic focus** All of the strategies that appear below are reflected in the ministry business plans. Strategies that will be the focus for the government over the next 12 months are highlighted with a checkmark (✔). Many of the strategies, including those highlighted with a checkmark, are set out in the mandate letters issued to each minister. The strategies will be achieved through close collaboration and cooperation across a number of ministries.

**Manage Growth Pressures:**

✔ **Establish a new Institute of Agriculture, Forestry and the Environment** (Agriculture and Food) – Lead the establishment of a new Institute for Agriculture, Forestry and the Environment to identify market-based solutions to increase environmentally sound practices in the renewable resource sectors.

✔ **Comprehensive Labour Strategy** (Employment, Immigration and Industry) – Continue to implement Alberta's comprehensive labour strategy *Building and Educating Tomorrow's Workforce* by working with partners and stakeholders to help ensure the availability of a skilled and productive workforce to meet Alberta's economic growth, now and in the future. Develop a First Nations and Métis skills, training and labour force development strategy, as well as specific industry sector strategies such as tourism and hospitality, construction, manufacturing, health care, energy, and mining to address labour shortages.

✔ **'Made-in-Alberta' Immigration Strategy** (Employment, Immigration and Industry) – Improve and strengthen Alberta's immigration approach by developing a made-in-Alberta immigration strategy to help meet Alberta's labour market needs that includes improvements to the Provincial Nominee and Temporary Foreign Worker programs; a new immigration agreement with the federal government; increased settlement services; and improved recruitment and attraction initiatives.

**Three-year strategic focus (cont'd)**

- ✔ **Comprehensive Energy Strategy** (Energy) – Build on Alberta's integrated energy vision to develop comprehensive strategies for the development of Alberta's renewable and non-renewable energy sources and for the conservation of energy use.
- ✔ **Land-use Framework** (Sustainable Resource Development) – Complete the *Land-use Framework* for the province to address conflicts over competing uses of land and provide a vision for an integrated sustainable land use approach that balances economic, environmental and social concerns.
- **Alberta's Electricity System** (Energy) – Develop recommendations to ensure the effective operation of Alberta's electricity system to meet Alberta's growing needs.

**Improve Albertans' Quality of Life**

- **Agri-Environmental Strategy** (Agriculture and Food) – Work collaboratively with industry to develop an Agri-Environmental Strategy that will result in increased industry competitiveness and sustainable growth, increased public confidence in the agriculture sector and continued and enhanced environmental responsibility. Industry and government priorities will be identified and action plans will be established giving due consideration to the *Water for Life Strategy* and the *Land-use Framework*.

**Build a Stronger Alberta**

- ✔ **Economic Diversification Through Research and Technology Commercialization** (Advanced Education and Technology) – Accelerate innovation in Alberta through the creation of a Value-Added and Technology Commercialization Task Force that will recommend a strategy to increase value-added and technology commercialization in Alberta, with emphasis on increasing commercialization of research as well as industry and company growth.
- **Building Research and Innovation Capacity** (Advanced Education and Technology) – Build research excellence in the strategic priority areas of energy, life sciences, information and communications technology, and nanotechnology, making one of the focus areas the development, attraction, and retention of highly skilled and qualified personnel.
- **Agriculture Growth Strategy** (Agriculture and Food) – Continue to work in partnership with industry to address labour shortages through an Agriculture Workforce Strategy, generate greater value from products, encourage development of new industries and facilitate long-term, sustainable growth in established sectors. Through the implementation of the growth strategy by industry, achieve sustainable growth of primary and value added agricultural production.
- **Support Industry Competitiveness and Growth** (Agriculture and Food) – Support industry competitiveness and growth by developing a new World Trade Organization Transition Assistance Program for agriculture, and granting better access to capital for farmers through the Alberta Treasury Branches and Agriculture Financial Services Corporation.
- **Rural, Regional and Northern Development** (Employment, Immigration and Industry) – Make progress on *A Place to Grow: Alberta's Rural Development Strategy* by considering opportunities in bio-energy, tourism and community development and capitalizing on the economic opportunities for rural and northern Alberta. Support small and medium sized enterprises throughout the province.
- **Sustained Economic Growth and Prosperity** (Employment, Immigration and Industry) – To achieve sustainable economic performance, Alberta's value-added strategy, *Securing Tomorrow's Prosperity*, aims at keeping Alberta's economic base competitive and knowledge-driven. Raise awareness within industry and government of the importance of continued productivity gains and support industry innovation, technology adoption and process improvement.

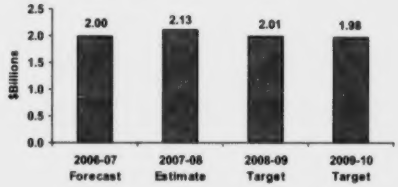
**Three-year strategic focus (cont'd)**

- **Value-Added Strategy** (Energy) – Develop a strategy to increase value-added opportunities from Alberta's energy resources.
- **International Trade Promotion** (International, Intergovernmental and Aboriginal Relations) – Enhance Alberta's international presence and trade relations through trade promotion initiatives in targeted markets with support from the international offices.
- **Forest Health** (Sustainable Resource Development) – Implement aggressive actions to protect the health of Alberta's forests.
- **Tourism Development and Marketing** (Tourism, Parks, Recreation and Culture) – Market Alberta as an attractive travel destination. Increased funding generated through the tourism levy will result in a greater presence for Alberta in international markets and strengthen the government's efforts to facilitate the development of marketable tourism products and new travel destinations in both urban and rural Alberta.

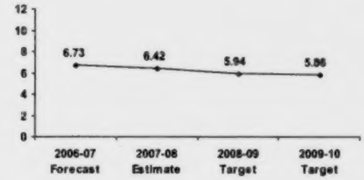
**Link to ministry business plans** The following ministries will dedicate spending toward achieving this goal: Advanced Education and Technology; Agriculture and Food; Employment, Immigration and Industry; Energy; Finance; Infrastructure and Transportation; International, Intergovernmental and Aboriginal Relations; Service Alberta; Sustainable Resource Development; and Tourism, Parks, Recreation and Culture. (See the Expense by Goal by Ministry, 2007-08 Estimates table in the Appendix for spending details.)

**What it costs**

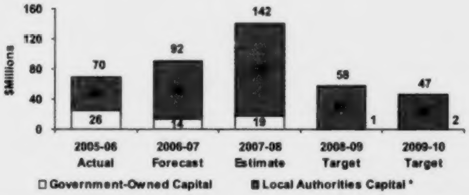
**Goal One Expense**



**Percentage of Total Expense**



**Capital Plan Spending**



* Local Authorities Capital spending is included in the Goal Expense.

**Three-year strategic focus (cont'd)**

- **Value-Added Strategy** (Energy) – Develop a strategy to increase value-added opportunities from Alberta's energy resources.
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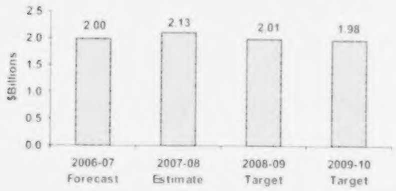
- **Forest Health** (Sustainable Resource Development) – Implement aggressive actions to protect the health of Alberta's forests.
- **Tourism Development and Marketing** (Tourism, Parks, Recreation and Culture) – Market Alberta as an attractive travel destination. Increased funding generated through the tourism levy will result in a greater presence for Alberta in international markets and strengthen the government's efforts to facilitate the development of marketable tourism products and new travel destinations in both urban and rural Alberta.

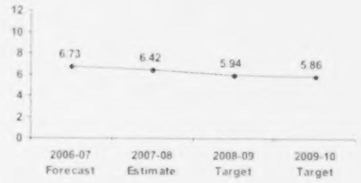
**Link to ministry business plans** The following ministries will dedicate spending toward achieving this goal: Advanced Education and Technology; Agriculture and Food; Employment, Immigration and Industry; Energy; Finance; Infrastructure and Transportation; International, Intergovernmental and Aboriginal Relations; Service Alberta; Sustainable Resource Development; and Tourism, Parks, Recreation and Culture. (See the Expense by Goal by Ministry, 2007-08 Estimates table in the Appendix for spending details.)

**What it costs**

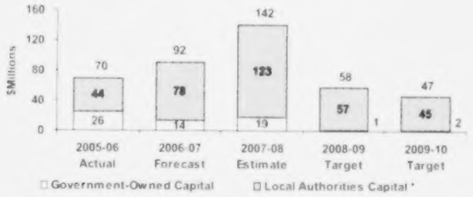
**Goal One Expense**



**Percentage of Total Expense**



**Capital Plan Spending**



* Local Authorities Capital spending is included in the Goal Expense

**Performance Measures**

The following measures track progress toward achieving Goal 1:

| | Last Actual | | Target | Target | Target |
|---|---|---|---|---|---|
| **Performance Measures** | **Results** | **Year** | **2007-08** | **2008-09** | **2009-10** |
| **Gross Domestic Product (GDP)**<br>Three-year average annual growth rate of real GDP per capita (inter-provincial rank).* | 4.3% r (highest) | 2002-05 | (highest) | (highest) | (highest) |
| **Total Goods Exports***<br>International commodity exports measured in current dollars, including primary agriculture, primary forestry, fishing and trapping, mining and energy, and manufactured goods (percentage change). | $81.3 billion (+1.5%) | 2004-06 | $82.3 billion (+1.2%) (2005-2007) | $84.9 billion (+3.2%) (2006-2008) | $88.1 billion (+3.8%) (2007-2009) |
| **Personal Disposable Income**<br>Current dollars per capita (inter-provincial rank). | $29,520 r (highest) | 2005 | (highest) | (highest) | (highest) |
| **Labour Productivity**<br>Inter-provincial rank of real Gross Domestic Product in dollars per hour worked. | (highest) ($42.54 r) | 2005 | (highest) | (highest) | (highest) |
| **Manufacturing and Service Industry Investment**<br>The value of new capital expenditures on construction and machinery and equipment in Alberta's manufacturing and services industry ($ billions and % change).** | $13.9 billion (6.3%) | 2005 | $17.7 billion (7.0%) | $18.9 billion (7.0%) | $20.3 billion (7.0%) |
| **Upstream Oil and Gas Industry Investment**<br>Annual capital expenditure in Alberta on exploration and development of oil, oil sands and gas resources. | $35.4 billion | 2005 | Equal to or greater than $15 billion (2007) | Equal to or greater than $15 billion (2008) | Equal to or greater than $15 billion (2009) |
| **Manufacturing and Service Exports**<br>The value of Alberta's international exports of manufactured goods and services in current dollars (percentage change).** | $27.1 billion (4.9%) | 2005 | $29.4 billion (6.0%) | $31.1 billion (6.0%) | $33.0 billion (6.0%) |
| **Total Tourism Expenditures**<br>Value of all tourism expenditures made by residents and non-residents, in current dollars. | $5.1 billion r | 2005 | $5.6 billion | $5.9 billion | $6.2 billion |
| **Labour Force Participation Rate**<br>Inter-provincial rank of labour force participation. | (highest) (72.6%) | 2005 | (highest) | (highest) | (highest) |
| **Government Support for Innovation**<br>Percentage of Government of Alberta expense used to support innovation. | 1.6% | 2004-05 | Increase above prior year*** | | |
| **Sponsored Research at Alberta Universities**<br>Total sponsored research revenue attracted by Alberta universities. | $631.6 r million | 2005-06 | $670 million | $707 million | $739 million |
| **Business Expenditures on Research and Development**<br>Alberta business expenditures on research and development. | $782 million | 2003 | $854 million | $890 million | $926 million |

* This measure was adjusted in 2005-06 to report real GDP instead of nominal GDP. Nominal dollars refer to today's dollar while real numbers are adjusted for inflation. Real GDP is a better measure of growth compared to nominal GDP because it removes distortions created by rising (falling) prices.

** The targets for this performance measure are based on an annual percent change. For the Manufacturing and Service Exports measure, the targets in absolute value figures are calculated by multiplying the unrounded targets from the previous year by 1.06.

*** The long-term target for this measure is to increase up to 5%, as affordable, by 2015.

r Revised.

## Core Business: Education

Education includes policies, programs and services related to early childhood to secondary education (e.g., school boards, schools, teachers, curricula, textbooks and classroom resources), advanced education (e.g., universities, colleges, technical institutes, apprenticeship and industry training and support to adult learners) and retraining (e.g., skills upgrading). Progress toward achieving the goal of lifelong learning also contributes to the core businesses of Health; and Human Support Services and Housing.

GOAL TWO 2

## Albertans will be well prepared for lifelong learning

**What it means** Quality basic and advanced education, lifelong learning and human resource development enable Albertans to be responsible, caring, creative, self-reliant and contributing members of society. The education system helps Albertans develop the learning, work and life skills they need to achieve their aspirations and maximize their potential.

**Three-year strategic focus** All of the strategies that appear below are reflected in the ministry business plans. Strategies that will be the focus for the government over the next 12 months are highlighted with a checkmark (✔). Many of the strategies, including those highlighted with a checkmark, are set out in the mandate letters issued to each minister. The strategies will be achieved through close collaboration and cooperation across a number of ministries.

**Manage Growth Pressures**

- **Schools Where Students Live and Learn** (Education) – Assess financing strategies for school construction to ensure schools are available where students live and learn. Explore innovative and creative solutions to school infrastructure to ensure students are educated in safe and well-maintained facilities.

**Build a Stronger Alberta**

✔ **Build on initiatives to increase access, affordability and quality in post-secondary education**

**Access to Advanced Learning Opportunities/Enrollment Planning** (Advanced Education and Technology) – Expand regional and community access to advanced learning opportunities through the strategic application of technology, expansion of degree-granting capacity within the system, clarification of roles relative to communities, and provision of the tools necessary to allow learners to succeed.

**Affordability** (Advanced Education and Technology) – Ensure that Albertans have access to learning opportunities through policies and programs that are responsive to the increasingly diverse needs of learners and leverage high rates of participation among all Albertans, including Aboriginal learners, rural Albertans, immigrants and those who are socio-economically disadvantaged.

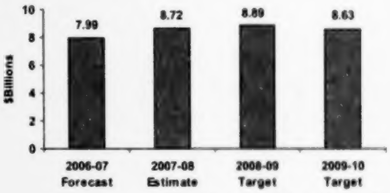
**Quality in the Advanced Learning System/Access to the Future Fund** (Advanced Education and Technology) – Enhance standards of performance of the advanced learning system through cross-ministry, interprovincial and international collaboration. Support innovation and knowledge development within the advanced learning system, and provide support for centres of excellence and the transfer of knowledge to industry. Support the full endowment of the Access to the Future Fund, which was created to stimulate private sector donations as well as support innovation and excellence within the advanced education system. Current priorities include literacy, Aboriginal education, system capacity and high standards of excellence in the delivery of degree program opportunities.

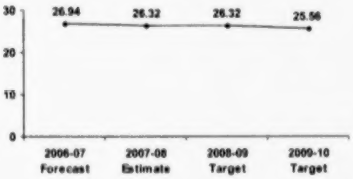
**Three-year strategic focus (cont'd)**

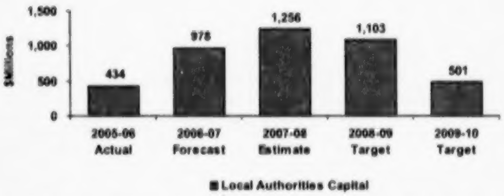
- **Increase support for community education and literacy programs** (Advanced Education and Technology) – Government will focus on developing learning communities. A learner-centred society will seek to enable Albertans to acquire foundational skills for life-long learning, and will equip communities to meet learner needs. Specific initiatives include the development of: a community-based education strategic framework; and policy options and programs to enhance adult literacy and support Aboriginal education.
- **Access to Early Learning Opportunities** (Education) – Explore options to provide children with access to early learning opportunities. The learning that occurs in the first few years of a child's life has a profound influence on his or her success in school and in life in general. A good start in life and in school provides lasting benefits for every child.
- **Improve High School Completion Rates** (Education) – Develop a strategy to improve high school completion rates. Recognizing that completing high school has far-reaching benefits both for individuals and for society as a whole, the province will work with the public, government partners and stakeholders on this area.
- **Address the Teachers' Unfunded Pension Liability** (Education) – Initiate negotiations on options for a reasonable long-term solution to the teachers' unfunded pension liability. Government and teachers share responsibility for the unfunded liability of the Teachers' Pension Plan. Addressing this issue will result in reduced costs for teachers and taxpayers.
- **Success for All Students** (Education) – Increase the emphasis on continuous improvement by ensuring effective transitions between school and home and throughout various phases of schooling, including Kindergarten to Grade 1 through to high school completion, post-secondary programs and the world of work, and by implementing the Accountability Pillar of the Renewed Funding Framework.
- **Support the Healthy Development of Children and Youth** (Education) – Develop collaborative health, social and learning programs and services that ensure children and youth will be well cared for, safe, healthy and successful at learning.
- **First Nations, Métis and Inuit Student Success** (Education) – Improve the educational attainment of First Nations, Métis and Inuit students in provincial schools through ongoing implementation of the First Nations, Métis and Inuit Education Policy Framework.

**Link to ministry business plans** The following ministries will dedicate spending toward achieving this goal: Advanced Education and Technology; Education; Employment, Immigration and Industry; and Infrastructure and Transportation. (See the Expense by Goal by Ministry, 2007-08 Estimate table in the Appendix for spending details.)

**What it costs**


Goal Two Expense


Percentage of Total Expense


Capital Plan Spending

* Local Authorities Capital spending is included in the Goal Expense.

**Performance Measures**

The following measures track progress toward achieving Goal 2:

| | Last Actual | | Target | Target | Target |
|---|---|---|---|---|---|
| **Performance Measures** | **Results** | **Year** | **2007-08** | **2008-09** | **2009-10** |
| **Literacy and Numeracy**<br>Percentage of all students in Grade 9 who achieve the acceptable standard on Provincial Achievement Tests: | | | | | |
| Language Arts | 77.4% | 2005-06 | 80% | 80% | 80% |
| Mathematics | 67.4% | 2005-06 | 70% | 70% | 70% |
| **Dropout Rate (K-12)**<br>Annual dropout rate of students (age 14-18). | 4.9% | 2004-05 | 4.9% | 4.9% | 4.8% |
| **High School Completion Rate (K-12)**<br>Percentage of students who complete high school within five years of entering Grade 10. | 77.4% | 2004-05 | 78% | 79% | 80% |
| **High School to Post-Secondary Transition**<br>Percentage of students entering post-secondary programs (including apprenticeship) within six years of entering Grade 10. | 57.5% | 2004-05 | 58% | 59% | 60% |
| **Educational Attainment of Albertans:** | | | | | |
| High school completion (age 25-34) | 90% | 2006 | 90% or higher | 90% or higher | 90% or higher |
| Post-secondary completion (age 25-64) | 58% | 2006 | 60% | 62% | 62% |
| **Educational Attainment of Aboriginal Albertans:** | | | | | |
| High school completion (age 25-34) | 77% | 2006 | 77% | 77% | 78% |
| Post-secondary completion (age 25-64) | 43% | 2006 | 45% | 45% | 45% |
| **Adult Participation in Learning**<br>Participation in post-secondary education (age 18-34). | 18% | 2006 | 21% | 22% | 23% |
| **Lifelong Learning**<br>Public satisfaction that adult Albertans can access education or training. | 79% | 2005-06 | 76% | 78% | 80% |
| **Employment Rate of Recent Alberta Advanced Education Graduates (biennial survey):** | | | | | |
| Post-secondary diploma or certificate | 97% | 2005-06 | 95% or higher | n/a | 95% or higher |
| University degree | 97% | 2005-06 | 95% or higher | n/a | 95% or higher |
| Journeyperson | 97% | 2004-05 | n/a | 95% or higher | n/a |
| **Employment Rates of Albertans Age 25-34 by Highest Level of Education:** | | | | | |
| High school completion | 84% | 2006 | 84% | 84% | 84% |
| Post-secondary diploma or certificate | 87% | 2006 | 88% | 89% | 89% |
| Post-secondary degree | 86% | 2006 | 87% | 87% | 88% |

**Performance Measures (cont'd)**

| | | | | | |
|---|---|---|---|---|---|
| **Skill Development (biennial survey)** | | | | | |
| Employer satisfaction with the skills and quality of work of advanced learning system graduates. | 94% | 2005-06 | 90% or higher | n/a | 90% or higher |
| **Skills Development** | | | | | |
| Percentage of participants in skills programs employed post-intervention. | 80% | 2005-06 | 80% | 80% | 80% |
| **Physical Condition of Learning Facilities*** | | | | | |
| (Schools): | | | | | |
| Good | 73.0% | 2005-06 | 73.0% | 73.0% | 73.0% |
| Fair | 25.0% | | 25.0% | 25.0% | 25.0% |
| Poor | 2.0% | | 2.0% | 2.0% | 2.0% |
| (Post-secondary institutions): | | | | | |
| Good | 55.0% | 2005-06 | 55.0% | 55.0% | 55.0% |
| Fair | 35.0% | | 35.0% | 35.0% | 35.0% |
| Poor | 10.0% | | 10.0% | 10.0% | 10.0% |

n/a Not applicable (biennial survey).

Note: A performance measure "employer satisfaction with the skills and quality of work of recent high school graduates" will be added to Skill Development once sufficient baseline data have been collected. Last actual for 2005-06 is 77%.

* "Good" is defined as adequate for intended use and expected to provide continued service life with average maintenance. "Fair" means aging components are nearing the end of their life cycle and require additional expenditure for renewal or refurbishing. "Poor" means upgrading is required to comply with minimum codes or standards and deterioration has reached the point where major repairs or replacement are necessary.

## Core Business: Environment

Environment includes policies, programs and services related to sustainable environmental management, ensuring safe and adequate supplies of water, actions taken on climate change and protection of the land. Progress toward achieving the goal of sustaining a high quality environment also contributes to the core businesses of: Agriculture, Resource Management and Economic Development; Health; Protection of Persons and Property; and Recreation and Culture.

### GOAL THREE 3

### The high quality of Alberta's environment will be sustained

**What it means** Albertans enjoy many benefits from the environment. Clean air, water and land are fundamental to our health, economy, communities and quality of life. Albertans rely on the government and its partners to ensure a safe and sustainable water supply, manage air quality changes, adapt to climate change, conserve biological diversity, and manage natural resource development in a sustainable way. Albertans expect our environment to be managed and protected as a legacy for future generations.

**Three-year strategic focus** All of the strategies that appear below are reflected in the ministry business plans. Strategies that will be the focus for the government over the next 12 months are highlighted with a checkmark (✔). Many of the strategies, including those highlighted with a checkmark, are set out in the mandate letters issued to each minister. The strategies will be achieved through close collaboration and cooperation across a number of ministries.

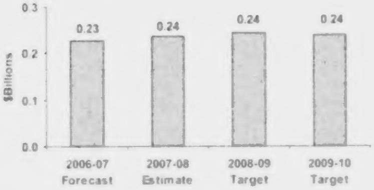
**Manage Growth Pressures**

✔ **Update Alberta's Climate Change Plan** (Environment) – Develop an updated action plan to outline how the province will reduce greenhouse gas emissions and adapt to a changing climate.

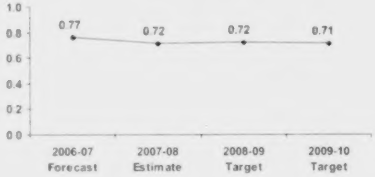
- **Sustainable Resource and Environmental Management** (Energy; Environment; and Sustainable Resource Development) – Develop integrated sustainable resource and environmental management policies and regulatory processes and improve coordination and integration of inter-departmental operations.
- **New Environment and Resource Management Regulatory Framework** (Environment) – Develop a regulatory framework to collaboratively define and implement environmental outcomes that address the regional cumulative impact of multiple developments on air, water, land and biodiversity.
- **Renew and Resource the *Water for Life Strategy*** (Environment) – With our partners, continue to drive the vision and implementation, while working with the Alberta Water Council to renew the strategy and identify adjustments to short-, medium- and long-term strategies. The renewal will particularly focus on building capacity with our partners, addressing the increasing pressures on groundwater as a result of resource development and urbanization and implementing the recent closure of surface water basins in southern Alberta.
- **Biodiversity Strategy** (Sustainable Resource Development) – Develop a Biodiversity Strategy to conserve biological diversity and enable sound management of Alberta's natural resources on a sustainable basis.

**Link to ministry business plans** The following ministries will dedicate spending toward achieving this goal: Energy; Environment; Infrastructure and Transportation; and Sustainable Resource Development. (See the Expense by Goal by Ministry, 2007-08 Estimates table in the Appendix for spending details.)

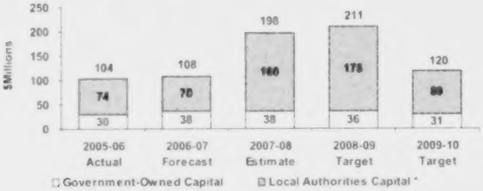
**What it costs**



Goal Three Expense



Percentage of Total Expense



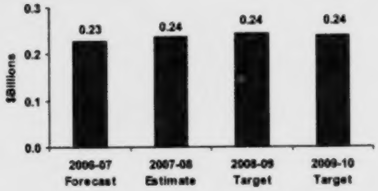
Capital Plan Spending

* Local Authorities Capital spending is included in the Goal Expense

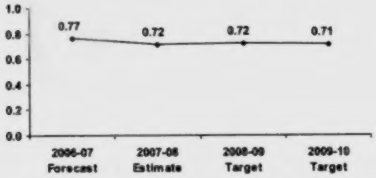
**Link to ministry business plans** The following ministries will dedicate spending toward achieving this goal: Energy; Environment; Infrastructure and Transportation; and Sustainable Resource Development. (See the Expense by Goal by Ministry, 2007-08 Estimates table in the Appendix for spending details.)

**What it costs**

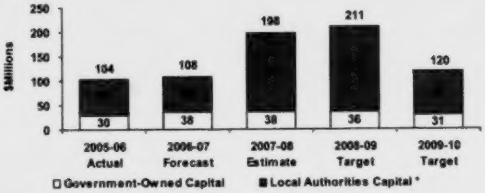
Goal Three Expense



Percentage of Total Expense



Capital Plan Spending



* Local Authorities Capital spending is included in the Goal Expense.

**Performance Measures**

The following measures track progress toward achieving Goal 3:

| | Last Actual | | Target | Target | Target |
|---|---|---|---|---|---|
| **Performance Measures** | **Results** | **Year** | **2007-08** | **2008-09** | **2009-10** |
| **Air Quality Index**<br>Evaluates the quality of Alberta's air based on five major pollutants: carbon monoxide, nitrogen dioxide, ozone, sulphur dioxide, and the fine particulate matter – $PM_{2.5}$. | "Good" air quality days 99% of the time | 2005 | "Good" air quality days 97% of the time* | | |
| **River Water Quality Index**<br>Evaluates the water quality of six major Alberta rivers at key sites, based on monthly data on four groups of variables (metals, bacteria, nutrients and pesticides) which are combined to provide an indication of overall water quality. | five out of six river systems had "good" to "excellent" water quality | 2004-05 | six out of six river systems have "good" to "excellent" water quality | | |
| **Drinking Water Safety Indicator**<br>Evaluates performance of facilities delivering safe drinking water, and demonstrates continuous improvement of facilities, in the way facilities are operated, and reporting on analytical results. | | | | | |
| **Facility Design Standards** – percentage of facilities meeting current facility design standards. | 78% | 2005-06 | 84% | 87% | 90% |
| **Facility Operational Requirements** – number of incidents where regulatory requirements have not been met that could lead to water quality incidents. | 35 | 2005-06 | 20 | 15 | 10 |
| **Water Quality** – number of water quality incidents. | 60 | 2005-06 | 40 | 35 | 30 |
| **Effective Water Management Infrastructure**<br>Physical condition of provincially owned water management infrastructure:** | | | | | |
| Good | 95.55% | 2005-06 | 93% | 93% | 93% |
| Fair | 6.14% | | 7% | 7% | 7% |
| Poor | 0.86% | | 0% | 0% | 0% |
| **Municipal Solid Waste to Landfills**<br>Measures Alberta's progress towards meeting continuous reduction of municipal solid waste placed in landfills as measured in kilograms of waste per capita.*** | 806 kg per capita | 2005 | 800 kg per capita | 700 kg per capita | 650 kg per capita |

* Air quality in 2005 exceeded results from previous years due to a relatively cool and wet summer, which reduced summertime smog and forest fire smoke. The targets reflect historical results for this measure.

** "Good" is defined as adequate for intended use and expected to provide continued service life with average maintenance. "Fair" means aging components are nearing the end of their life cycle and require additional expenditure for renewal or refurbishing. "Poor" means upgrading is required to comply with minimum codes or standards and deterioration has reached the point where major repairs or replacement are necessary.

*** Annual targets will be based on a 2010 goal to reduce waste disposed in landfills to 500 kilograms per capita.

## Core Business: General Government

General Government includes the Legislature, the Lieutenant Governor, government and legislative staff and officials, and policies, programs and services related to international and intergovernmental relations and general administration (including budgeting and accounting, tax and revenue collection, and communications). Included in this function are debt servicing costs. Progress toward achieving the goal of a financially stable, open and accountable government as well as a strong Alberta in Canada also contributes to the core businesses of: Agriculture, Resource Management and Economic Development; Protection of Persons and Property; Regional Planning and Development; and Transportation, Communications and Utilities.

GOAL FOUR 4

## Alberta will have a financially stable, open and accountable government and maintain its strong position nationally and internationally

**What it means** Financial sustainability, a coordinated and disciplined approach to governance and policy making, and a strong public service are essential for the government to be able to provide the programs and services that are important to Albertans now and in the future. The government is committed to openness and accountability that earns the trust of Albertans.

The government works to promote the province's interests as an equal partner in a strengthened, united Canada, to strengthen its international relations, and to enhance trade and investment liberalization internationally and domestically.

**Three-year strategic focus** All of the strategies that appear below are reflected in the ministry business plans. Strategies that will be the focus for the government over the next 12 months are highlighted with a checkmark (✔). Many of the strategies, including those highlighted with a checkmark, are set out in the mandate letters issued to each minister. The strategies will be achieved through close collaboration and cooperation across a number of ministries.

**Govern with Integrity and Transparency**

✔ **Board Governance Review** (Executive Council) – Establish a Board Governance Review to provide recommendations on how the Government of Alberta can improve the transparency, accountability and governance of its agencies, boards and commissions.

✔ **Democratic Reforms** (Executive Council) – Develop democratic reforms that include opportunities for all-party committees to work together to better serve Albertans.

✔ **Lobbyist Registry** (Justice) – Improve accountability and make government business more transparent: establish a framework for a lobbyist registry; prohibit lobbyists from giving paid advice to government at the same time as they are lobbying the same subject matter; establish a framework to release information about payments under government contracts on a regular basis.

- **Office of Statistics and Information** (Employment, Immigration and Industry) – Establish an Office of Statistics and Information to consolidate official statistics and other key government data to support the efficient and strategic management and dissemination of information for policy development and decision making.
- **Budget Consultations** (Finance) – Review options to consult with Albertans on future budgets.
- **Continue Public Service Renewal** (Service Alberta – Personnel Administration Office) – Through the Alberta Public Service Workforce Plan, build a stronger public service by attracting, developing and engaging our employees.

**Three-year strategic focus (cont'd)**

- **Corporate Approach to Information Management and Information Technology** (Service Alberta) – Initiatives under this priority will assist government in taking a strategic, enterprise-wide approach to managing information assets and information technology, thereby increasing the efficiency and effectiveness of service delivery to Albertans, while also enhancing the integrity, trust and transparency of the information each ministry provides to Albertans.
- **Innovation in Service Delivery to Albertans through a variety of mechanisms (in-person, by phone or through the Internet)** (Service Alberta) – Seek excellence in service delivery by adopting innovative approaches to serving Albertans in an accessible, timely and efficient manner. Identify increases in Albertans' demand for information and services from government, and investigate and adopt improved service delivery methods.
- **Enhance Spending Discipline** (Treasury Board) – Provide a coordinated and disciplined approach to the management of government spending and capital planning. Ensure the spending associated with the government's plan for managing growth is sustainable.
- **Financial Accountability** (Treasury Board) – Develop and evaluate sound financial management practices and policies. Inform Albertans on how the government is addressing its responsibilities through open and accountable financial management and performance reporting.

**Manage Growth Pressures**

✔ **Strengthen Capital Planning** (Treasury Board) – Work with other stakeholders to develop the long-term strategic Capital Plan that addresses needs related to growth, ensures the maintenance of existing infrastructure, explores options to fund capital projects, recommends strategies that mitigate the impact of inflation on infrastructure costs; and ensures a more disciplined approach to the management and control of capital spending.

- **Managing Complex Infrastructure Requirements** (Infrastructure and Transportation) – Manage Alberta's owned and supported provincial infrastructure requirements effectively and efficiently in today's complex global environment by promoting the need for ongoing maintenance and rehabilitation of existing capital.

**Build a Stronger Alberta**

✔ **Financial Investment and Planning Commission** (Finance) – Lead a Financial Investment and Planning Commission to explore options for long-term investment strategies for Alberta's non-renewable resource revenues.

✔ **Royalty Review** (Finance) – Facilitate an independent public review to ensure Albertans are receiving a fair share from energy development through royalties, taxes and fees.

- **Canadian Intergovernmental Relations** (International, Intergovernmental and Aboriginal Relations) – Ensure a coordinated Alberta approach to intergovernmental relations, including participation in major intergovernmental meetings such as the Council of the Federation, First Ministers' meetings, and the Western Premiers' Conference.
- **International Relations and Trade Policy** (International, Intergovernmental and Aboriginal Relations) – Enhance Alberta's international presence and trade relations, in particular with the United States. Relationships will be strengthened with key decision-makers in the United States through various means, including through Alberta's Washington, D.C. office. Measures to enhance domestic and international trade liberalization will be pursued.
- **Intergovernmental Strategy** (International, Intergovernmental and Aboriginal Relations) – Develop an intergovernmental strategy to address Alberta's priorities with other provinces and the federal government.

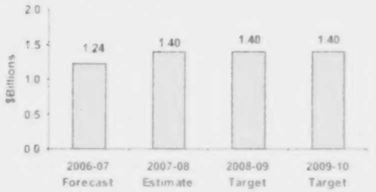
**Link to ministry business plans**

The following ministries will dedicate spending toward achieving this goal: Agriculture and Food; Education; Employment, Immigration and Industry; Energy; Executive Council; Finance; Infrastructure and Transportation; International, Intergovernmental and Aboriginal Relations; Municipal Affairs and Housing; Service Alberta (including Personnel Administration Office); and Treasury Board. This goal also includes spending of the Offices of the Legislative Assembly. (See the Expense by Goal by Ministry, 2007-08 Estimates table in the Appendix for spending details.)

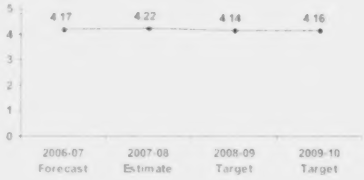
The ministry of Justice, as the lead on the Lobbyist Registry strategy, also links to this goal.

**What it costs**

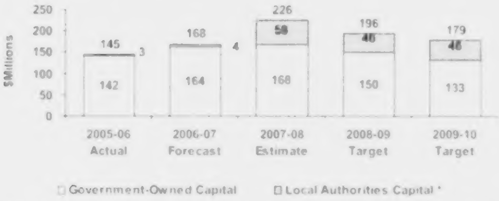
Goal Four Expense



Percentage of Total Expense



Capital Plan Spending



* Local Authorities Capital spending is included in the Goal Expense

**Performance Measures**

The following measures track progress toward achieving Goal 4:

| Performance Measures | Last Actual Results | Last Actual Year | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|---|
| **Alberta's Credit Rating** | | | | | |
| Blended credit rating for domestic debt | AAA | 2006-07 | AAA | AAA | AAA |
| **Tax Load** | | | | | |
| Total provincial and municipal tax load as a percentage of the Canadian average (inter-provincial rank) | 78.7% (lowest) | 2005-06 | Lowest among the provinces | | |
| **Albertans' Satisfaction with Access to Services and Information** | | | | | |
| Percentage of Albertans surveyed who are satisfied with access to Government of Alberta services and information | 75% | 2005-06 | 80% | 80% | 80% |
| **Physical Condition of Government-owned and Operated Buildings:*** | | | | | |
| Good | 43.0% | 2005-06 | 45.0% | 43.0% | 42.0% |
| Fair | 53.0% | | 51.0% | 53.0% | 54.0% |
| Poor | 4.0% | | 4.0% | 4.0% | 4.0% |

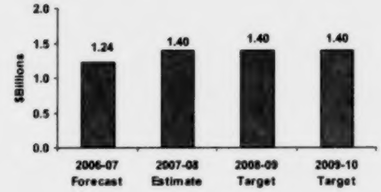
* "Good" is defined as adequate for intended use and expected to provide continued service life with average maintenance. "Fair" means aging components are nearing the end of their life cycle and require additional expenditure for renewal or refurbishing. "Poor" means upgrading is required to comply with minimum codes or standards and deterioration has reached the point where major repairs or replacement are necessary.

**Link to ministry business plans** The following ministries will dedicate spending toward achieving this goal: Agriculture and Food; Education; Employment, Immigration and Industry; Energy; Executive Council; Finance; Infrastructure and Transportation; International, Intergovernmental and Aboriginal Relations; Municipal Affairs and Housing; Service Alberta (including Personnel Administration Office); and Treasury Board. This goal also includes spending of the Offices of the Legislative Assembly. (See the Expense by Goal by Ministry, 2007-08 Estimates table in the Appendix for spending details.)

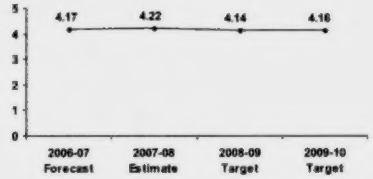
The ministry of Justice, as the lead on the Lobbyist Registry strategy, also links to this goal.

**What it costs**

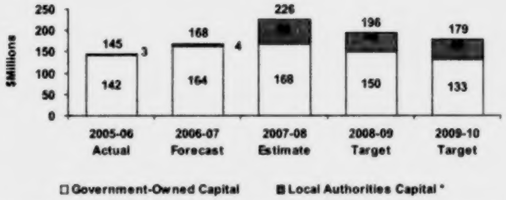
**Goal Four Expense**



**Percentage of Total Expense**



**Capital Plan Spending**



* Local Authorities Capital spending is included in the Goal Expense.

**Performance Measures** The following measures track progress toward achieving Goal 4:

| Performance Measures | Last Actual Results | Last Actual Year | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|---|
| **Alberta's Credit Rating**<br>Blended credit rating for domestic debt. | AAA | 2006-07 | AAA | AAA | AAA |
| **Tax Load**<br>Total provincial and municipal tax load as a percentage of the Canadian average (inter-provincial rank). | 78.7% (lowest) | 2005-06 | Lowest among the provinces | | |
| **Albertans' Satisfaction with Access to Services and Information**<br>Percentage of Albertans surveyed who are satisfied with access to Government of Alberta services and information. | 75% | 2005-06 | 80% | 80% | 80% |
| **Physical Condition of Government-owned and Operated Buildings:*** | | | | | |
| Good | 43.0% | 2005-06 | 45.0% | 43.0% | 42.0% |
| Fair | 53.0% | | 51.0% | 53.0% | 54.0% |
| Poor | 4.0% | | 4.0% | 4.0% | 4.0% |

* "Good" is defined as adequate for intended use and expected to provide continued service life with average maintenance. "Fair" means aging components are nearing the end of their life cycle and require additional expenditure for renewal or refurbishing. "Poor" means upgrading is required to comply with minimum codes or standards and deterioration has reached the point where major repairs or replacement are necessary.

## Core Business: Health

Health includes policies, programs and health services for all Albertans, including hospital services, continuing care facilities, medical care, drug programs, preventive care, diagnostic services, alcohol and drug rehabilitation programs, and supports for persons with disabilities. Progress toward achieving the goal of healthy Albertans also contributes to the core businesses of: Education; Human Support Services and Housing; and Recreation and Culture.

GOAL FIVE 5

## Albertans will be healthy

**What it means** Albertans are encouraged to realize their full health potential through informed lifestyle choices. The province contributes to the health of Albertans by advocating and educating for healthy living, providing integrated quality health and wellness services through the health authorities, and by leading and participating in continuous improvement of the health care system.

**Three-year strategic focus** All of the strategies that appear below are reflected in the ministry business plans. Strategies that will be the focus for the government over the next 12 months are highlighted with a checkmark (✔). Many of the strategies, including those highlighted with a checkmark, are set out in the mandate letters issued to each minister. The strategies will be achieved through close collaboration and cooperation across a number of ministries.

**Manage Growth Pressures**

- **Comprehensive workforce strategy to secure and retain health professionals** (Health and Wellness) – Implement a comprehensive workforce strategy designed to retain, recruit and train a qualified and integrated health workforce needed to meet the current and future health care needs of Albertans. Invest in state-of-the-art medical and diagnostic equipment, health facilities and information and technology infrastructure to attract more world class research and researchers, establish centres of medical excellence and further expand the health sector as a driver of innovation and economic activity. Development of new compensation models and promotion of flexibility in scopes of practice will lead to innovative and more cost effective models of care in conjunction with further development of partnerships to increase workforce capacity. Respond to short- and long-term pressures stemming from the rapid and sustained oil sands development.

**Improve Albertans' Quality of Life**

✔ **Implement health care productivity reforms and sustainability initiatives** (Health and Wellness) – Improve the confidence of Albertans in the health care system and ensure value-for-money in the delivery of health care through: continued implementation of an electronic health record for all Albertans; improved patient care with the implementation of Primary Care Networks and the development of new provider compensation methods; support for inter- and intra-regional collaboration in the delivery of services; and promote adoption of evidence-based decision-making and best practices to improve system quality, productivity and outcomes. Effectiveness, efficiency and innovation will be achieved by pursuing opportunities to expand Telehealth, to re-think and reshape the roles of hospitals and to establish new ways of training and learning through innovations in virtual campuses and distance learning. Implement standards for continuing care and accommodation services that will better meet consumer expectations for access to and quality of care.

**Three-year strategic focus (cont'd)**

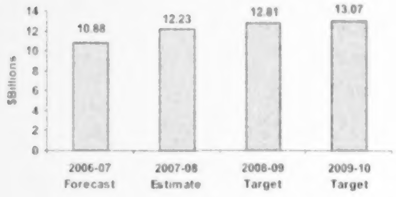
- **Implement a new pharmaceutical strategy to improve management of drug expenditures and ensure access to sustainable government drug coverage** (Health and Wellness) – Pharmaceuticals, while an important component of healthcare, must be managed in the context of a fair, patient-centred healthcare system to optimize drug therapy and benefit all Albertans. In order to enable quality patient care and maintain drug program sustainability, Alberta must challenge the 'old way' of doing business and adopt new strategies to improve patient outcomes, achieve equity and fairness, and implement needed cost controls.
- **Strengthen public health services that promote wellness, prevent injury and disease and provide preparedness for public health emergencies** (Health and Wellness) – Encourage Albertans to make healthier lifestyle choices. Provide Albertans with easier access to HealthLink and other information channels to increase awareness of health care and lifestyle choices. Promote healthy work environments; enhance efforts to prevent injury and accidents; protect Albertans against communicable diseases and environmental health risks; and prevent and treat addictions. Build on prevention through a variety of strategies.
- **Bring forward an updated plan to expand long-term care and improve standards of care** (Seniors and Community Supports) – Government will work with stakeholders to promote seamless health and accommodation services for seniors and persons with disabilities, through an updated plan to expand continuing care and improve standards of care. With a focus on quality, government will license adult supportive living facilities and promote accreditation. The province will also introduce training programs for operators that provide accommodation services in supportive living and long-term care settings.
- **Develop and introduce measures to benchmark improvements in quality of life for all Albertans** (Seniors and Community Supports) – Explore and assess approaches and potential measures to benchmark improvements in quality of life for Albertans. Seek input from across government, consult with stakeholders, and review best practices of provincial, national and international jurisdictions and the academic community. The development of quality of life measures will allow government to focus on key areas of interest or concern and to report back to Albertans on progress.

**Link to ministry business plans**

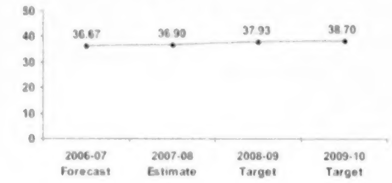
The following ministries will dedicate spending toward achieving this goal: Employment, Immigration and Industry; Finance; Health and Wellness; Infrastructure and Transportation; and Seniors and Community Supports. (See the Expense by Goal by Ministry, 2007-08 Estimate table in the Appendix for spending details.)

**What it costs**

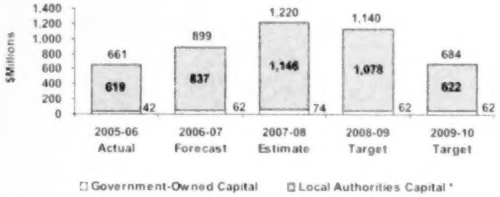
**Goal Five Expense**



**Percentage of Total Expense**



**Capital Plan Spending**



* Local Authorities Capital spending is included in the Goal Expense.

**Three-year strategic focus (cont'd)**

- **Implement a new pharmaceutical strategy to improve management of drug expenditures and ensure access to sustainable government drug coverage** (Health and Wellness) – Pharmaceuticals, while an important component of healthcare, must be managed in the context of a fair, patient-centred healthcare system to optimize drug therapy and benefit all Albertans. In order to enable quality patient care and maintain drug program sustainability, Alberta must challenge the 'old way' of doing business and adopt new strategies to improve patient outcomes, achieve equity and fairness, and implement needed cost controls.
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- **Bring forward an updated plan to expand long-term care and improve standards of care** (Seniors and Community Supports) – Government will work with stakeholders to promote seamless health and accommodation services for seniors and persons with disabilities, through an updated plan to expand continuing care and improve standards of care. With a focus on quality, government will license adult supportive living facilities and promote accreditation. The province will also introduce training programs for operators that provide accommodation services in supportive living and long-term care settings.
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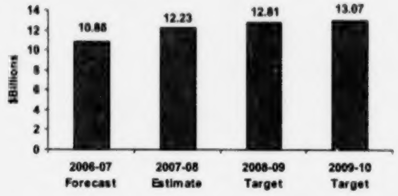
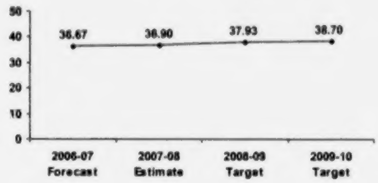
**Link to ministry business plans** The following ministries will dedicate spending toward achieving this goal: Employment, Immigration and Industry; Finance; Health and Wellness; Infrastructure and Transportation; and Seniors and Community Supports. (See the Expense by Goal by Ministry, 2007-08 Estimate table in the Appendix for spending details.)

**What it costs**

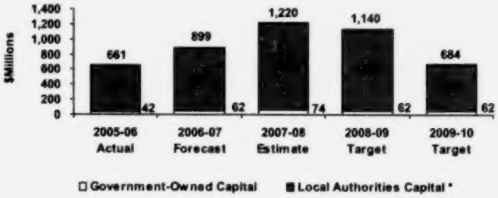
**Goal Five Expense**



**Percentage of Total Expense**



**Capital Plan Spending**



* Local Authorities Capital spending is included in the Goal Expense.

**Performance Measures**

The following measures track progress toward achieving Goal 5:

| Performance Measures | Last Actual Results | Last Actual Year | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|---|
| **Life Expectancy at Birth** | | | | | |
| Years of life for females. | 82.7 | 2005 | 83.0 years | 83.0 years | 83.0 years |
| Years of life for males. | 77.6 | 2005 | 78.0 years | 78.0 years | 78.0 years |
| **Self-Reported Health Status** | | | | | |
| Rating as "excellent," "very good" or "good" (18-64 years). | 88% | 2006 | 90% | 90% | 90% |
| Rating as "excellent," "very good" or "good" (65 years and over).* | 86% | 2006 | 80% | 80% | 80% |
| **Participation in Healthy Behaviour (biennial survey)** | | | | | |
| Exercise: Per cent of Albertans age 12 and over who are "active" or "moderately active". | 55% | 2005 | 65% | 65% | 70% |
| Healthy Weight: Per cent of Albertans age 18 and over with "acceptable" body mass index (BMIs 18.5 to 24.9). | 46% | 2005 | 51% | 51% | 53% |
| Healthy Eating: Per cent of Albertans age 12 and over who eat at least five servings of fruit and vegetables each day. | 39% | 2005 | 42% | 42% | 47% |
| **Ease of Access to Services** | | | | | |
| Rating as "easy" or "very easy": | | | | | |
| Physician Services | 78% | 2006 | 86% | 87% | 88% |
| Hospital Services | 67% | 2006 | 74% | 75% | 76% |
| **Public Rating of Health System Overall** | | | | | |
| Rating as "excellent" or "good." | 65% | 2006 | 69% | 70% | 70% |
| **Physical Condition of Health Facilities:**** | | | | | |
| Good | 70.0% | 2005-06 | 70.0% | 70.0% | 70.0% |
| Fair | 26.0% | | 26.0% | 26.0% | 26.0% |
| Poor | 4.0% | | 4.0% | 4.0% | 4.0% |

* The 2006 results for Self-Reported Health Status (65 years and over) may have been influenced by the changes in survey methodology, therefore, targets have been established based on a trend of the previous five years of data.

** "Good" is defined as adequate for intended use and expected to provide continued service life with average maintenance. "Fair" means aging components are nearing the end of their life cycle and require additional expenditure for renewal or refurbishing. "Poor" means upgrading is required to comply with minimum codes or standards and deterioration has reached the point where major repairs or replacement are necessary.

## Core Business: Human Support Services and Housing

Human Support Services includes policies, programs and social infrastructure services for people in need including child care, preventive programming, support for families and seniors, child intervention and family enhancement services, and the prevention of family violence and bullying. This area also includes income support for adults and seniors, support for those unable to work due to illness or disability, and community-based supports for persons with disabilities. In addition, Human Support Services includes services for victims of crime and provision of legal aid. Assistance is provided to individuals and families to be safe, healthy, resilient and self-reliant by overcoming at-risk circumstances.

Housing includes housing of seniors, families with low incomes and those with special needs. Progress toward achieving the goal of Albertans who will be independent and children who are well cared for also contributes to the core businesses of: Education; Health; and Protection of Persons and Property.

GOAL SIX 6

### Albertans will be independent and our children will be well cared for

**What it means**

Families are the foundation to nurture the development of children and youth. Ensuring that children and youth are physically, emotionally, socially, intellectually and spiritually healthy and safe will reduce future strains on social infrastructure. Although parents have primary responsibility in raising their children, communities, organizations, schools, businesses and governments all have supporting roles to play in helping to ensure that Alberta's children and youth reach their potential and contribute fully to society.

Similarly, families, communities, organizations, and governments all have roles in ensuring Albertans who are facing challenges such as disabilities, lower incomes, and other special needs have the supports they need to fully participate in society. Facilitating the participation of all citizens leads to a stronger and more inclusive society for all Albertans. These supports, along with human resource development, help Albertans to be as independent as possible, move to employment and stay in the labour force. Access to justice services provides support and protection to vulnerable citizens, individuals unable to protect their financial interests and individuals who cannot afford legal counsel, all of which are essential to building a stronger Alberta.

Alberta, like the rest of Canada, is aging. The rising number of seniors is contributing to a diverse population of individuals with a wide range of knowledge, skills, and abilities. Strategies and supports aimed at facilitating seniors' continued participation in their communities will benefit all Albertans.

Housing that is effectively managed results in greater responsiveness to individual needs, and improved quality of housing and services provided to residents by the organizations that directly manage housing.

**Three-year strategic focus**

All of the strategies that appear below are reflected in the ministry business plans. Strategies that will be the focus for the government over the next 12 months are highlighted with a checkmark (✔). Many of the strategies, including those highlighted with a checkmark, are set out in the mandate letters issued to each minister. The strategies will be achieved through close collaboration and cooperation across a number of ministries.

**Manage Growth Pressures**

✔ **Establish a Housing Task Force to develop a plan to increase the availability of affordable housing** (Municipal Affairs and Housing) – Support the Housing Task Force and, following acceptance by the government of the Housing Task Force Report, develop an action plan, including outcomes, to implement the accepted recommendations.

**Three-year strategic focus (cont'd)**

**Improve Albertans' Quality of Life**

- ✔ **Improve supports and services for persons with disabilities through better coordination and integration of programs** (Seniors and Community Supports) – Work with individuals and their families, community organizations, and other levels of government to align and coordinate programs and policies for persons with disabilities. Continue to improve the Assured Income for the Severely Handicapped program to ensure it is responsive to client needs and improve the sustainability of the Persons with Developmental Disabilities program. Work to coordinate the health-related benefits delivered to clients. Work with partners to create awareness of barriers and to identify strategies that enable all seniors and persons with disabilities to participate in all aspects of Alberta society.
- **Ensure parents have access to quality, affordable child care options** (Children's Services) – Continue to implement the Five-Point Child Care Investment Plan to ensure parents have access to quality and affordable child care options. Enhance subsidies to make child care affordable for low and middle income families and to keep up with inflation, implement strategies to improve recruitment and retention of child care professionals, and increase the number of child care spaces. The introduction of new Child Care legislation will expand the range of child care options available to parents.
- **Focus on improving outcomes for children in care or in need of specialized services, including Aboriginal children and children with disabilities** (Children's Services) – Fully implement the *Child, Youth and Family Enhancement Act* to ensure that children in care, and families in need of support receive appropriate services. Work to ensure that Aboriginal children remain connected to their culture. Implement processes for the Family Support for Children with Disabilities Program to enhance service quality. Work with Delegated First Nations Agencies, contracted agencies and service providers to enhance accountability processes and on strategies to attract and retain staff. Provide leadership to the development of a provincial response to Fetal Alcohol Spectrum Disorder with a full range of integrated services. The new *Drug-endangered Children Act* will protect children exposed to an adult's drug activity by identifying them as abuse victims.
- **Establish a Demographic Planning Commission to provide analysis and proposals to prepare for the needs of an aging population and ensure facilities and supports are available to seniors** (Seniors and Community Supports) – A planning commission will be established to support the government's efforts in planning and preparing for an aging population. As part of this strategic priority, the province will improve its capacity to identify and forecast the needs of future seniors. This will contribute to the province's ability to develop strategies that encourage future seniors to plan for self-reliance and independence.

**Build a Stronger Alberta**

- **Improve collaborative partnerships and community capacity** (Children's Services) – Continue to build collaborative partnerships on initiatives such as Prevention of Family Violence and Bullying, Fetal Alcohol Spectrum Disorder, Integrated Crime Reduction Strategy and the Community Spirit Program. Develop options to review and improve Alberta's social infrastructure; and engage in collaborative decision-making as it relates to providing better outcomes for children, youth and families. Work with the Alberta Centre for Child, Family and Community Research to promote relevant research and information to support strategy and policy.

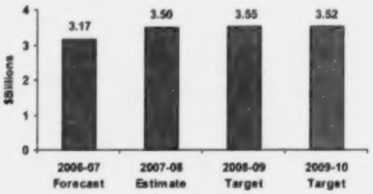
**Three-year strategic focus (cont'd)**

**Provide Safe and Secure Communities**

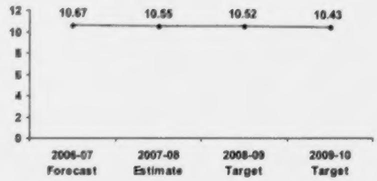
- **Continue to implement Prevention of Family Violence and Bullying Initiative** (Children's Services) – Continue to provide provincial leadership to implement the Prevention of Family Violence and Bullying Initiative, in order to develop and enhance a coordinated and collaborative response to reduce the impacts of this serious social issue. Provide grants to communities through the Community Incentive Fund, enhance public awareness and education, and provide support for victims.
- **Enhance Community Capacity to Respond to Victims of Crime** (Solicitor General and Public Security) – In partnership with community and justice system stakeholders, assist organizations which serve victims of crime to identify opportunities and implement strategies for the provision of improved services in all Alberta communities.

**Link to ministry business plans** The following ministries will dedicate spending toward achieving this goal: Children's Services; Employment, Immigration and Industry; Justice; Municipal Affairs and Housing; Seniors and Community Supports; and Solicitor General and Public Security. (See the Expense by Goal by Ministry, 2007-08 Estimate table in the Appendix for spending details.)

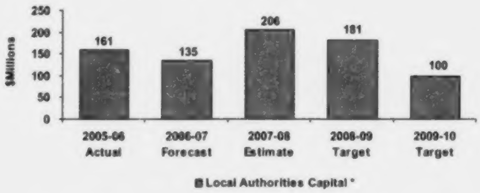
**What it costs**



**Goal Six Expense**



**Percentage of Total Expense**



**Capital Plan Spending**

* Local Authorities Capital spending is included in the Goal Expense.

**Performance Measures**

The following measures track progress toward achieving Goal 6:

| Performance Measures | Last Actual |  | Target | Target | Target |
|---|---|---|---|---|---|
|  | Results | Year | 2007-08 | 2008-09 | 2009-10 |
| **Well-Being of Children**<br>Percentage of children living in families with incomes at or above the Market Basket Measure low-income thresholds (inter-provincial rank). | 87%<br>(2nd) | 2002 | Among the top three provinces |  |  |
| **Support for Albertans with Low Incomes**<br>Percentage of Alberta's Income Support clients receiving health benefits coverage in addition to core benefits. | 89% | 2004-05 | Within ±5 percentage points of the previous year's result |  |  |
| **Economic Status of Albertans**<br>Percentage of Albertans living at or above the Market Basket Measure low-income thresholds (inter-provincial rank). | 89%<br>(2nd) | 2002 | Among the top three provinces |  |  |
| **Social and Emotional Development**<br>Percentage of Alberta children demonstrating: |  |  |  |  |  |
| Healthy social development | Alberta: 85.9%<br>Canada: 84.3% | 2002-03 | Maintain or improve Alberta's result relative to the national average |  |  |
| Healthy emotional development | Alberta: 83.8%<br>Canada: 83.3% | 2002-03 | Maintain or improve Alberta's result relative to the national average |  |  |
| **Parenting Skills**<br>Percentage of Alberta children, aged 0-5, whose parents are interacting positively with them. | Alberta: 94.3%<br>Canada: 93.3% | 2002-03 | Maintain or improve Alberta's result relative to the national average |  |  |
| **Support for Albertans with developmental disabilities**<br>Satisfaction, by families/guardians of adults with developmental disabilities, with Persons with Developmental Disabilities funded services. | 85.8% | 2004-05 | n/a | 89% | n/a |
| **Support for Families with Low Income with Children (biennial survey)**<br>Percentage of Alberta Child Health Benefit parents who agree they are able to obtain health services they would not otherwise have been able to get for their children. | 88% | 2004-05 | n/a | 85% | n/a |
| **Support for Albertans with Low Income who Need Temporary Help**<br>Percentage of participants employed after leaving income support. | 68% | 2005-06 | 70% | 70% | 70% |
| **Seniors' Average Total Income**<br>Difference between Alberta seniors' average total income and the national average for seniors' average total income. | 11.1% | 2004 | Exceed the national average |  |  |

n/a Not applicable (biennial survey)

Note: A performance measure "Support for Albertans with severe disabilities: Percentage of Assured Income for the Severely Handicapped clients who agree that personal benefits help them live more independently than if they were unable to access these benefits" will be added once sufficient baseline data has been collected.

## Core Business: Protection of Persons and Property

Protection of Persons and Property includes policies, programs and services related to public security, policing, the judicial system, financial services, human rights, maintenance enforcement, firefighting, related regulation, labour relations, safe work environments, and correctional and rehabilitation services. Progress toward achieving the goal of a safe place to live, work and raise families also contributes to the core businesses of: Agriculture, Resource Management and Economic Development; Health; Human Support Services and Housing; and Recreation and Culture.

GOAL SEVEN 7

## Alberta will be a safe place to live, work and raise families

**What it means** Albertans want communities in which they can live and raise families in safety and security without fear of personal or property crime, victimization or discrimination. An effective and efficient securities regulatory system is important to investor protection. Effective protection of people and property from fire, floods and harmful environmental events and from natural, industrial, accidental and terrorist hazards is also an important part of this goal. Albertans expect buildings and systems that are constructed and maintained to safe standards and workplaces that are healthy, fair, safe and stable for employees and employers. Albertans value effective education, enforcement and technology programs and policies to increase safety on the province's roads.

**Three-year strategic focus** All of the strategies that appear below are reflected in the ministry business plans. Strategies that will be the focus for the government over the next 12 months are highlighted with a checkmark (✔). Many of the strategies, including those highlighted with a checkmark, are set out in the mandate letters issued to each minister. The strategies will be achieved through close collaboration and cooperation across a number of ministries.

**Govern with Integrity and Transparency**

- **Manage growth in the gaming industry** (Solicitor General and Public Security) – Carefully manage and control the growth of the gaming industry in Alberta by working with stakeholders, including First Nations. Continue to implement the First Nations Gaming Policy and ensure consistency with the charitable gaming model and the government's Aboriginal Policy Framework.

**Manage Growth Pressures**

- **Employment Standards, Labour Relations and Occupational Health and Safety** (Employment, Immigration and Industry) – Review Alberta's legislation governing the workplace with the aim of consolidating and streamlining laws related to employment standards, labour relations and occupational health and safety.

**Improve Albertans' Quality of Life**

- **Inclusive Communities** (Tourism, Parks, Recreation and Culture) – Foster equality, reduce discrimination and barriers to full participation in society and help build welcoming and inclusive communities and workplaces. This will be furthered by promoting more inclusive workplaces and emphasizing the inclusion and integration of immigrants and ethno-cultural and racial groups.

**Build a Stronger Alberta**

- **Securities Regulation** (Finance) – Work with other Canadian jurisdictions to develop an effective and efficient securities regulatory system in Alberta that meets the needs of Alberta's businesses and investors.

**Three-year strategic focus (cont'd)**

**Provide Safe and Secure Communities**

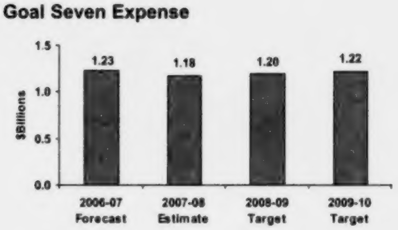
- ✔ **Reducing Crime and Supporting Safe Communities** (Justice) – Meet with Albertans and make recommendations on reducing crime, enhancing safety in our communities and improving public confidence in the criminal justice system.
- **Implement an Integrated Crime Reduction Strategy** (Justice; and Solicitor General and Public Security) – Work with partners and stakeholders to implement an integrated crime reduction strategy to achieve a future in which Albertans will experience less crime, feel less fearful of crime and make their communities safer places to live and work.
- **Implement a provincial traffic safety plan to reduce the number of collisions on Alberta roads** (Infrastructure and Transportation) – Address the traffic safety issues related to altering driver habits and reducing collisions identified in the Alberta Traffic Safety Plan. Strategies will address community traffic safety; increase public education and awareness; promote research and evidence-based decisions; sustain enforcement through law enforcement agencies; introduce engineering and infrastructure improvements; and develop comprehensive legislation.
- **Appropriate Dispute Resolution and Self-Represented Litigants** (Justice) – Improve access to justice through the implementation of new types of resolution processes (specialized courts, appropriate dispute resolution, etc.), additional support for individuals entering the system (self-represented litigant information project, legal aid, family violence programs, etc.), and new mechanisms for service delivery (video conferencing, Alberta Law Reform Institute rules changes, Calgary courthouse, etc.).
- **Family Violence and Family Justice** (Justice) – Improve family safety and improve access to family services when families separate, through: the establishment of an Alberta Relationship Threat Assessment and Management Initiative to support the prevention of and effective intervention in family violence; and the Family Justice Strategy framework to guide and prioritize activities in order to integrate and streamline delivery in all aspects of family justice.
- **Work with Federal, Provincial and Territorial Partners on Amendments to the *Criminal Code* of Canada** (Justice) – Partner with the federal government to support their efforts to implement minimum sentencing, reduce conditional sentencing and establish appropriate penalties for serious crimes.
- **Accelerate the Implementation of the Emergency Preparedness Initiative** (Municipal Affairs and Housing) – Enhance the province's emergency management system through an increased focus on consolidated risk management leading to better prevention and mitigation strategies. Working with all stakeholders, cross-government coordination and strategic planning will focus on precluding emergency events from taking place, or minimizing the consequences to reduce response and recovery costs.
- **Ensure Information is Protected** (Service Alberta) – Promote a government-wide strategy to ensure information is protected and increase the privacy and security of personal and other information entrusted to government.
- **Establish an Integrated and Coordinated Services Network** (Solicitor General and Public Security) – Ensure effective coordination of federal, provincial and municipal enforcement and public security agencies through the implementation of initiatives such as the integrated information and communications technology strategy.

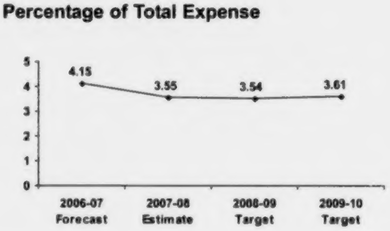
**Three-year strategic focus (cont'd)**

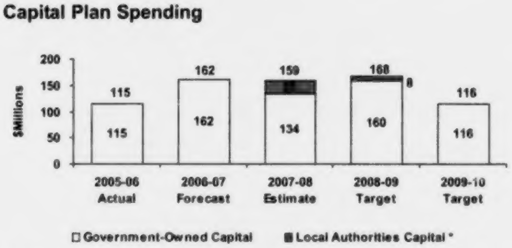
- **Plan for the Future of Corrections** (Solicitor General and Public Security) – Develop a plan for the continued efficient delivery of correctional service programs, enabling a response to rapidly changing demographic patterns, and the changing offender profile. Help to ensure that Alberta's correctional services respond to current and anticipated legislated requirements and reflect best practice standards.
- **Renew Provincial Police Service Agreement** (Solicitor General and Public Security) – Begin negotiations for the renewal of the contract with the Royal Canadian Mounted Police to ensure the ongoing provision of policing services for the citizens of Alberta. Develop a law enforcement framework which will better articulate the roles and responsibilities of law enforcement services.

**Link to ministry business plans** The following ministries will dedicate spending toward achieving this goal: Employment, Immigration and Industry; Finance; Infrastructure and Transportation; Justice; Municipal Affairs and Housing; Service Alberta; Solicitor General and Public Security; Sustainable Resource Development; and Tourism, Parks, Recreation and Culture. (See the Expense by Goal by Ministry, 2007-08 Estimate table in the Appendix for spending details.)

**What it costs**


**Goal Seven Expense**


**Percentage of Total Expense**


**Capital Plan Spending**

* Local Authorities Capital spending is included in the Goal Expense.

**Performance Measures**

The following measures track progress toward achieving Goal 7:

| Performance Measures | Last Actual Results | Last Actual Year | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|---|
| **Public Perception of Safety in the Neighbourhood**<br>The percentage of Albertans who feel "reasonably safe" to "very safe" walking alone in their area after dark. | 72% | 2005-06 | 82% | 82% | 82% |
| **Property Crime Rate**<br>Alberta's property crime rate per 100,000 population, as reported by police. | 4,874 (23% above national rate) | 2005-06 | Lower than or equal to the national rate | | |
| **Violent Crime Rate**<br>Alberta's violent crime rate per 100,000 population, as reported by police. | 1,096 (14% above national rate) | 2005-06 | Lower than or equal to the national rate | | |
| **Work Stoppages**<br>Percentage of collective bargaining agreements settled without a work stoppage (strike or lockout). | 98% | 2005-06 | 98% | 98% | 98% |
| **Workplace Lost-Time Claim Rate**<br>Number of lost-time claims per 100 person-years worked* | 2.4 | 2005 | 1.9 | 1.7 | 1.7 |
| **Effectiveness of Human Rights Protection**<br>Percentage of adult Albertans who believe human rights are well protected in Alberta. | 86.7% | 2005-06 | 87% | 88% | 89% |

* The Lost-Time Claim (LTC) rate represents the probability or risk of an injury or disease to a worker during a period of one year that will result in time lost from work. The lower the LTC, the lower the probability of worker injury or disease. LTC is a claim for an occupational injury or disease that causes the worker to have time away from work, beyond the day of injury.

## Core Business: Recreation and Culture

Recreation and Culture includes policies, programs and services related to recreation, sport, culture, historical artifacts and sites, museums, libraries, and provincial parks and protected areas. Progress toward achieving the goal of opportunities for Albertans to enjoy the province's natural, historical and cultural resources also contributes to the core businesses of: Agriculture, Resource Management and Economic Development; Education; Environment; Health; and Regional Planning and Development.

GOAL EIGHT 8

### Albertans will have the opportunity to enjoy the province's natural, historical and cultural resources

**What it means** Participation in community and cultural activities and enjoyment of the province's historical resources and parks and protected areas are essential to Albertans' high quality of life. Supporting the non-profit/voluntary sector, libraries, sport and recreation, the arts and heritage fosters a culturally vibrant province, enhances quality of life for all Albertans and attracts the creative and skilled knowledge workers Alberta needs to ensure its continued economic prosperity. The preservation of Alberta's natural heritage and historical resources is realized through a network of provincial parks and protected areas, the Provincial Archives of Alberta and world renowned museums and historic sites that provide opportunities for outdoor recreation, heritage appreciation and tourism.

**Three-year strategic focus** All of the strategies that appear below are reflected in the ministry business plans. Strategies that will be the focus for the government over the next 12 months are highlighted with a checkmark (✔). Many of the strategies, including those highlighted with a checkmark, are set out in the mandate letters issued to each minister. The strategies will be achieved through close collaboration and cooperation across a number of ministries.

**Improve Albertans' Quality of Life**

✔ **Community Spirit Program and Fund** (Tourism, Parks, Recreation and Culture) – Based on input received from Albertans and recommendations from an MLA committee, develop a Community Spirit Program for Charitable Giving to support increases for private charitable donations through tax credits and establish a Community Spirit Fund to provide matching grants for eligible philanthropic donations to Alberta-based registered charities.

- **Strengthen Voluntary Sector and Community Capacity** (Municipal Affairs and Housing) – Develop policy recommendations for Alberta's not-for-profit/voluntary sector, including a non-profit/voluntary sector framework and agreement.
- **Building a Culturally Vibrant Province** (Tourism, Parks, Recreation and Culture) – Lead the development of a culture policy encompassing Alberta's cultural, historical and natural heritage. This will be furthered by working with agencies and communities to realize the importance of culture in shaping public policy and program development. Community resources will be strengthened with an emphasis on sport, recreation and the arts. This includes addressing recommendations from the Alberta Sport Plan and the renewed Alberta Active Living Strategy, and implementing the Canada-Alberta Agreement on French Language Services.
- **Infrastructure Renewal** (Tourism, Parks, Recreation and Culture) – Renew infrastructure for provincial parks and recreation areas, Travel Alberta visitor information centres, community public-use facilities, historic sites, museums and interpretive centres in order to expand capacity to address Alberta's growing population and repair or replace aging and deteriorating facilities. This includes the Minister's mandated priority to develop a plan for provincial parks and recreation areas to

**Three-year strategic focus (cont'd)**

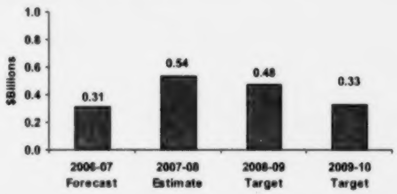
accommodate population growth and improve quality of life opportunities. Additional priorities include upgrading water and sewage systems in provincial parks and recreation areas as part of the *Water for Life Strategy*, renewing the Royal Alberta Museum, modernizing exhibits and developing collections to reflect new areas of interest.

**Link to ministry business plans**

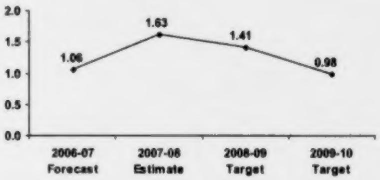
The following ministries will dedicate spending toward achieving this goal: Municipal Affairs and Housing; Solicitor General and Public Security; and Tourism, Parks, Recreation and Culture. (See the Expense by Goal by Ministry, 2007-08 Estimates table in the Appendix for spending details.)

**What it costs**

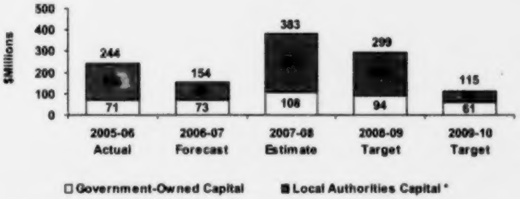
**Goal Eight Expense**



**Percentage of Total Expense**



**Capital Plan Spending**



* Local Authorities Capital spending is included in the Goal Expense.

**Performance Measures**

The following measures track progress toward achieving Goal 8:

| Performance Measures | Last Actual Results | Last Actual Year | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|---|
| **Visitor Satisfaction with Provincial Parks and Recreation Areas**<br>Visitor satisfaction with experiences at provincial parks and recreation areas. | 91.1% | 2005-06 | 92% | 92% | 92% |
| **Participation in Sport and Recreation**<br>Participation in sport and recreational activities by adult Albertans. | 82.4% | 2005-06 | 83% | 84% | 84% |
| **Level of Community Volunteerism**<br>Level of community volunteerism by adult Albertans. | 68.9% | 2005-06 | 69% | 69% | 69% |
| **Participation in Arts Activities or Events**<br>Participation in arts activities or events by adult Albertans. | 88.8% | 2005-06 | 89% | 89% | 89% |
| **Visitor Satisfaction with Provincial Historic Sites, Museums and Interpretive Centres**<br>Visitor satisfaction with experiences at provincial historic sites, museums and interpretive centres. | 98.5% | 2005-06 | 99% | 99% | 99% |
| **Public Library Use**<br>Usage of public library services by adult Albertans. | 51.7% | 2005-06 | 52% | 53% | 53% |

**Three-year strategic focus (cont'd)**

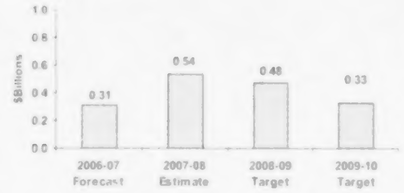
accommodate population growth and improve quality of life opportunities. Additional priorities include upgrading water and sewage systems in provincial parks and recreation areas as part of the *Water for Life Strategy*, renewing the Royal Alberta Museum, modernizing exhibits and developing collections to reflect new areas of interest.

**Link to ministry business plans**

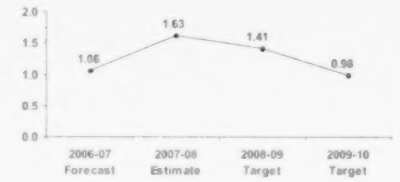
The following ministries will dedicate spending toward achieving this goal: Municipal Affairs and Housing; Solicitor General and Public Security; and Tourism, Parks, Recreation and Culture. (See the Expense by Goal by Ministry, 2007-08 Estimates table in the Appendix for spending details.)

**What it costs**

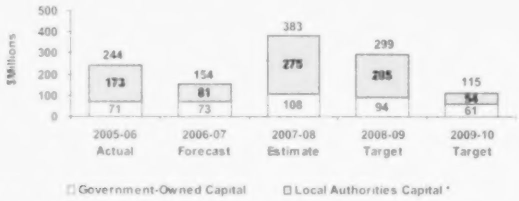
**Goal Eight Expense**



**Percentage of Total Expense**



**Capital Plan Spending**



* Local Authorities Capital spending is included in the Goal Expense.

**Performance Measures**

The following measures track progress toward achieving Goal 8:

| Performance Measures | Last Actual Results | Last Actual Year | Target 2007-08 | Target 2008-09 | Target 2009-10 |
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| **Participation in Sport and Recreation**<br>Participation in sport and recreational activities by adult Albertans. | 82.4% | 2005-06 | 83% | 84% | 84% |
| **Level of Community Volunteerism**<br>Level of community volunteerism by adult Albertans. | 68.9% | 2005-06 | 69% | 69% | 69% |
| **Participation in Arts Activities or Events**<br>Participation in arts activities or events by adult Albertans. | 88.8% | 2005-06 | 89% | 89% | 89% |
| **Visitor Satisfaction with Provincial Historic Sites, Museums and Interpretive Centres**<br>Visitor satisfaction with experiences at provincial historic sites, museums and interpretive centres. | 98.5% | 2005-06 | 99% | 99% | 99% |
| **Public Library Use**<br>Usage of public library services by adult Albertans. | 51.7% | 2005-06 | 52% | 53% | 53% |

## Core Business: Regional Planning and Development

Regional Planning and Development includes policies, programs and services related to community and regional development affairs including planning and zoning, Aboriginal communities, and land claim negotiations and settlements. Progress toward achieving the goal of strong and effective municipalities and self-reliant Aboriginal communities also contributes to the core businesses of: Agriculture, Resource Management and Economic Development; Human Support Services and Housing; and Transportation, Communications and Utilities.

GOAL NINE 9

### Alberta will have strong and effective municipalities and self-reliant Aboriginal communities

**What it means**

Community and regional development, including community renewal projects, beautification and land rehabilitation are key to growth, sustainability, and quality of life for Albertans. The development of a financially sustainable, efficient and responsive local government sector, which provides the services and infrastructure Albertans and businesses need, is encouraged through partnerships, cooperation, and an appropriate legislative framework.

Through Strengthening Relationships: The Government of Alberta's Aboriginal Policy Framework, the province is committed to increasing the participation of First Nations, Métis and other Aboriginal people in the social and economic life of Alberta. Increased participation will result in improved quality of life and contribute to the province's long-term vision of Alberta as a place where Aboriginal Albertans have achieved a socio-economic status equivalent to that of other Albertans.

**Three-year strategic focus**

All of the strategies that appear below are reflected in the ministry business plans. Strategies that will be the focus for the government over the next 12 months are highlighted with a checkmark (✔). Many of the strategies, including those highlighted with a checkmark, are set out in the mandate letters issued to each minister. The strategies will be achieved through close collaboration and cooperation across a number of ministries.

**Manage Growth Pressures**

✔ **Respond to the recommendations from the Oil Sands Ministerial Strategy Committee on impacts of development in oil sands communities**

**Manage growth and development in oil sands area** (Treasury Board) – Work with municipalities to support and implement the approved housing and municipal support recommendations of the Oil Sands Ministerial Strategy Committee.

- **Consult with municipal governments on regional planning issues and a dispute resolution mechanism** (Municipal Affairs and Housing) – Consult with municipalities, municipal associations and other stakeholders to develop guidelines for resolving regional planning issues. Build on the success of the current Municipal Dispute Resolution Initiative, and develop other initiatives as required, to promote cooperation and help resolve growth-related conflicts between neighboring municipalities.
- **Address Municipal Growth and Capacity Building** (Municipal Affairs and Housing) – Evaluate the impact of high growth on municipalities, including infrastructure, land use, services, and revenue needs, in order to help affected municipalities address capacity issues and improve the coordination of the responses to growth-related challenges. New pro-active programs will be incorporated into the safety system to provide growing communities with the tools they need to incorporate risk assessment into their planning.

**Three-year strategic focus (cont'd)**

**Improve Albertans' Quality of Life**

- **Consultation** (International, Intergovernmental and Aboriginal Relations) – Finalize the Aboriginal consultation strategy. This will require implementation of Alberta's consultation policy and guidelines as well as continued support for the development of traditional use studies.
- **Métis Settlements** (International, Intergovernmental and Aboriginal Relations) – Finalize the long-term governance and funding arrangements with the Métis Settlements. Provincial strategies will be developed to guide Alberta's future relationship with the Settlements.
- **Building Aboriginal Self-sufficiency** (International, Intergovernmental and Aboriginal Relations) – Coordinate discussions and initiatives with First Nations, provincial Métis organizations, industry, Alberta government and, where appropriate, the federal government to improve Aboriginal participation in the economy and economic development in Aboriginal communities.

**Build a Stronger Alberta**

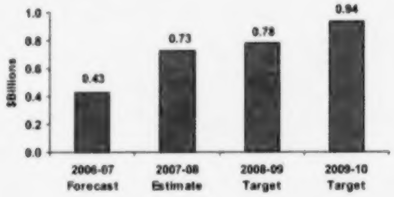
✔ **Bring Forward a Response to Recommendations From the Minister's Council on Municipal Sustainability on Roles and Responsibilities and New Long-term Sustainable Funding Arrangements with Municipalities** (Municipal Affairs and Housing) – Work with the municipal associations and their members to address financial sustainability issues associated with fulfilling municipal roles and responsibilities and preserving the quality of life of their residents. Work collaboratively with other ministries to implement the provincial government's funding commitments for municipalities.

**Link to ministry business plans**

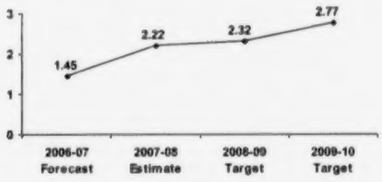
The following ministries will dedicate spending toward achieving this goal: Employment, Immigration and Industry; Finance; Infrastructure and Transportation; International, Intergovernmental and Aboriginal Relations; Municipal Affairs and Housing; and Treasury Board. (See the Expense by Goal by Ministry, 2007-08 Estimate table in the Appendix for spending details.)

**What it costs**

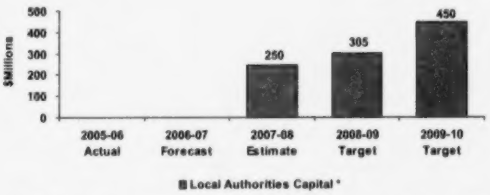
**Goal Nine Expense**



**Percentage of Total Expense**



**Capital Plan Spending**



* Local Authorities Capital spending is included in the Goal Expense.

**Performance Measures**

The following measures track progress toward achieving Goal 9:

| Performance Measures | Last Actual Results | Last Actual Year | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|---|
| **Aboriginal Affairs** | | | | | |
| Public approval rating on Aboriginal issues compared to the average of the four nearest provinces. | 6% higher than the average of the four nearest provinces | 2005 | Higher than the average of the four nearest provinces (British Columbia, Saskatchewan, Manitoba, Ontario) | | |
| **Albertans' Satisfaction with their Local Governments** | | | | | |
| Percentage satisfied. | 80% | 2005-06 | 80% | 80% | 80% |

## Core Business: Transportation, Communications and Utilities

Transportation, Communications and Utilities includes policies, programs and services related to provincial transportation including air, road and rail transport, telecommunications, pipelines, and gas and electricity utilities. Progress toward achieving the goal of effective and efficient transportation infrastructure also contributes to the core businesses of: Agriculture, Resource Management and Economic Development; and Regional Planning and Development.

### GOAL TEN 10 Alberta will have effective and efficient transportation infrastructure

**What it means** Alberta's continued growth depends on many factors including infrastructure to get goods to market. Increased competitiveness in domestic and international markets is more attainable with infrastructure, communications and utilities that are managed effectively and efficiently.

**Three-year strategic focus** All of the strategies that appear below are reflected in the ministry business plans. Strategies that will be the focus for the government over the next 12 months are highlighted with a checkmark (✔). Many of the strategies, including those highlighted with a checkmark, are set out in the mandate letters issued to each minister. The strategies will be achieved through close collaboration and cooperation across a number of ministries.

**Manage Growth Pressures**

- **Expand the capacity of Alberta's highway system to address growth pressures** (Infrastructure and Transportation) – Expand the capacity of the provincial highway system to efficiently move people and goods. Twin the North-South Trade Corridor, the Asia-Pacific Gateway and develop urban corridors such as the Edmonton and Calgary ring roads, to make competitiveness more attainable in domestic and international markets. Construction of needed facilities, as well as road network improvements, is underway or planned for high-growth areas, including the Regional Municipality of Wood Buffalo. Continue efforts with municipalities and stakeholders to ensure that required infrastructure meets local needs and supports economic development throughout the province.

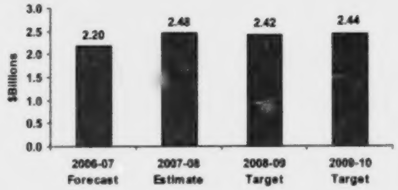
**Build a Stronger Alberta**

- **Develop a new provincial aviation strategy to explore options to ensure the viability of small airports in Alberta** (Infrastructure and Transportation) – Explore options to ensure Albertans are getting an optimal return on the province's investment in airports.

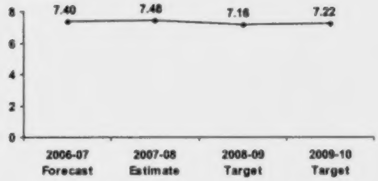
**Link to ministry business plans** The following ministries will dedicate spending toward achieving this goal: Energy; and Infrastructure and Transportation. (See the Expense by Goal by Ministry, 2007-08 Estimates table in the Appendix for spending details.)

**What it costs**

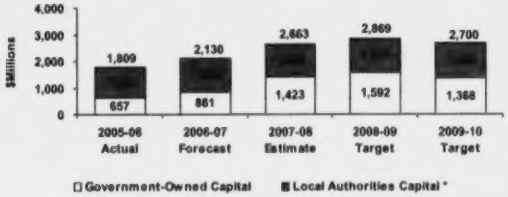
**Goal Ten Expense**



**Percentage of Total Expense**



**Capital Plan Spending**



* Local Authorities Capital spending is included in the Goal Expense.

**Performance Measures**

The following measures track progress toward achieving Goal 10:

| Performance Measures | Last Actual Results | Last Actual Year | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|---|
| **Physical Condition of Provincial Highways*** | | | | | |
| Physical condition of pavement: | | | | | |
| Good | 63.0% | 2005-06 | 57.0% | 55.0% | 53.0% |
| Fair | 24.1% | | 26.0% | 26.0% | 26.0% |
| Poor | 12.9% | | 17.0% | 19.0% | 21.0% |

* "Good" is defined as adequate for intended use and expected to provide continued service life with average maintenance. "Fair" means aging components are nearing the end of their life cycle and require additional expenditure for renewal or refurbishing. "Poor" means upgrading is required to comply with minimum codes or standards and deterioration has reached the point where major repairs or replacement are necessary.

# Expense by Goal by Core Business[1]

(millions of dollars)

| | Goal (Core Business) | 2005-06 Actual | 2006-07 Budget | 2006-07 Forecast | 2007-08 Estimate | 2008-09 Target | 2009-10 Target |
|---|---|---|---|---|---|---|---|
| 1 | Alberta will have a prosperous economy (Agriculture, Resource Management and Economic Development) | 1,837 | 1,886 | 1,996 | 2,128 | 2,006 | 1,980 |
| 2 | Albertans will be well prepared for lifelong learning (Education) | 6,852 | 7,588 | 7,992 | 8,724 | 8,892 | 8,633 |
| 3 | The high quality of Alberta's environment will be sustained (Environment) | 198 | 201 | 228 | 238 | 244 | 241 |
| 4 | Alberta will have a financially stable, open and accountable government and maintain its strong position nationally and internationally (General Government) | 1,120 | 1,240 | 1,238 | 1,400 | 1,399 | 1,404 |
| 5 | Albertans will be healthy (Health) | 9,709 | 10,466 | 10,879 | 12,232 | 12,813 | 13,073 |
| 6 | Albertans will be independent and our children will be well cared for (Human Support Services and Housing) | 3,002 | 3,162 | 3,167 | 3,497 | 3,553 | 3,524 |
| 7 | Alberta will be a safe place to live, work, and raise families (Protection of Persons and Property) | 1,163 | 1,002 | 1,230 | 1,176 | 1,196 | 1,219 |
| 8 | Albertans will have the opportunity to enjoy the province's natural, historical and cultural resources (Recreation and Culture) | 371 | 322 | 314 | 541 | 477 | 332 |
| 9 | Alberta will have strong and effective municipalities and self-reliant Aboriginal communities (Regional Planning and Development) | 410 | 414 | 430 | 735 | 784 | 937 |
| 10 | Alberta will have effective and efficient transportation infrastructure (Transportation, Communications and Utilities) | 2,329 | 2,031 | 2,197 | 2,478 | 2,419 | 2,439 |
| **Total Program and Debt Servicing Expense** | | 26,991 | 28,312 | 29,671 | 33,149 | 33,783 | 33,782 |

# Expense by Goal by Ministry, 2007-08 Estimate[2]

(millions of dollars)

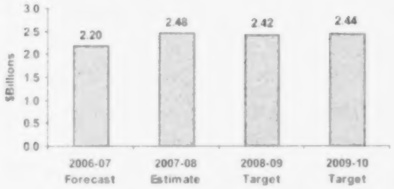
| | Goals | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
| Legislative Assembly | - | - | - | 93 | - | - | - | - | - | - | 93 |
| Advanced Education and Technology | 228 | 2,864 | - | - | - | - | - | - | - | - | 3,092 |
| Agriculture and Food | 1,026 | - | - | 51 | - | - | - | - | - | - | 1,077 |
| Children's Services | - | - | - | - | - | 972 | - | - | - | - | 972 |
| Education | - | 5,619 | - | 6 | - | - | - | - | - | - | 5,625 |
| Employment, Immigration and Industry | 103 | 239 | - | - | 30 | 429 | 49 | - | 3 | - | 853 |
| Energy | 224 | - | 13 | 54 | - | - | - | - | - | 9 | 300 |
| Environment | - | - | 164 | - | - | - | - | - | - | - | 164 |
| Executive Council | - | - | - | 23 | - | - | - | - | - | - | 23 |
| Finance | 28 | - | - | 371 | 65 | - | 34 | - | 295 | - | 793 |
| Health and Wellness | - | - | - | - | 12,045 | - | - | - | - | - | 12,045 |
| Infrastructure and Transportation | 50 | 2 | 25 | 532 | 1 | - | 43 | - | 4 | 2,469 | 3,126 |
| International, Intergovernmental and Aboriginal Relations | 18 | - | - | 11 | - | - | - | - | 39 | - | 68 |
| Justice | - | - | - | - | - | 72 | 310 | - | - | - | 382 |
| Municipal Affairs and Housing | - | - | - | 62 | - | 333 | 44 | 26 | 393 | - | 858 |
| Seniors and Community Supports | - | - | - | - | 91 | 1,673 | - | - | - | - | 1,764 |
| Service Alberta | 3 | - | - | 179 | - | - | 97 | - | - | - | 279 |
| Solicitor General and Public Security | - | - | - | - | - | 18 | 487 | 2 | - | - | 507 |
| Sustainable Resource Development | 212 | - | 36 | - | - | - | 105 | - | - | - | 353 |
| Tourism, Parks, Recreation and Culture | 236 | - | - | - | - | - | 7 | 513 | - | - | 756 |
| Treasury Board | - | - | - | 18 | - | - | - | - | 1 | - | 19 |
| **Total Expense** | **2,128** | **8,724** | **238** | **1,400** | **12,232** | **3,497** | **1,176** | **541** | **735** | **2,478** | **33,149** |

[1] The allocation of expense by goal is derived from the Expense by Function table in the Fiscal Plan.

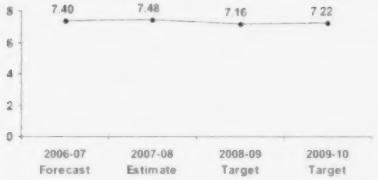
[2] Totals include program expense and debt servicing costs.

## What it costs

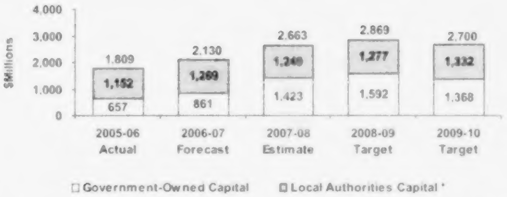
**Goal Ten Expense**



**Percentage of Total Expense**



**Capital Plan Spending**



* Local Authorities Capital spending is included in the Goal Expense.

## Performance Measures

The following measures track progress toward achieving Goal 10:

| Performance Measures | Last Actual Results | Last Actual Year | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|---|
| **Physical Condition of Provincial Highways*** | | | | | |
| Physical condition of pavement: | | | | | |
| Good | 63.0% | 2005-06 | 57.0% | 55.0% | 53.0% |
| Fair | 24.1% | | 26.0% | 26.0% | 26.0% |
| Poor | 12.9% | | 17.0% | 19.0% | 21.0% |

* "Good" is defined as adequate for intended use and expected to provide continued service life with average maintenance. "Fair" means aging components are nearing the end of their life cycle and require additional expenditure for renewal or refurbishing. "Poor" means upgrading is required to comply with minimum codes or standards and deterioration has reached the point where major repairs or replacement are necessary.

## Appendix

# Expense by Goal by Core Business[1]

(millions of dollars)

| | Goal (Core Business) | 2005-06 Actual | 2006-07 Budget | 2006-07 Forecast | 2007-08 Estimate | 2008-09 Target | 2009-10 Target |
|---|---|---|---|---|---|---|---|
| 1 | Alberta will have a prosperous economy (Agriculture, Resource Management and Economic Development) | 1,837 | 1,886 | 1,996 | **2,128** | 2,006 | 1,980 |
| 2 | Albertans will be well prepared for lifelong learning (Education) | 6,852 | 7,588 | 7,992 | **8,724** | 8,892 | 8,633 |
| 3 | The high quality of Alberta's environment will be sustained (Environment) | 198 | 201 | 228 | **238** | 244 | 241 |
| 4 | Alberta will have a financially stable, open and accountable government and maintain its strong position nationally and internationally (General Government) | 1,120 | 1,240 | 1,238 | **1,400** | 1,399 | 1,404 |
| 5 | Albertans will be healthy (Health) | 9,709 | 10,466 | 10,879 | **12,232** | 12,813 | 13,073 |
| 6 | Albertans will be independent and our children will be well cared for (Human Support Services and Housing) | 3,002 | 3,162 | 3,167 | **3,497** | 3,553 | 3,524 |
| 7 | Alberta will be a safe place to live, work, and raise families (Protection of Persons and Property) | 1,163 | 1,002 | 1,230 | **1,176** | 1,196 | 1,219 |
| 8 | Albertans will have the opportunity to enjoy the province's natural, historical and cultural resources (Recreation and Culture) | 371 | 322 | 314 | **541** | 477 | 332 |
| 9 | Alberta will have strong and effective municipalities and self-reliant Aboriginal communities (Regional Planning and Development) | 410 | 414 | 430 | **735** | 784 | 937 |
| 10 | Alberta will have effective and efficient transportation infrastructure (Transportation, Communications and Utilities) | 2,329 | 2,031 | 2,197 | **2,478** | 2,419 | 2,439 |
| **Total Program and Debt Servicing Expense** | | 26,991 | 28,312 | 29,671 | **33,149** | 33,783 | 33,782 |

# Expense by Goal by Ministry, 2007-08 Estimate[2]

(millions of dollars)

| | Goals | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Total |
| Legislative Assembly | - | - | - | 93 | - | - | - | - | - | - | 93 |
| Advanced Education and Technology | 228 | 2,864 | - | - | - | - | - | - | - | - | 3,092 |
| Agriculture and Food | 1,026 | - | - | 51 | - | - | - | - | - | - | 1,077 |
| Children's Services | - | - | - | - | - | 972 | - | - | - | - | 972 |
| Education | - | 5,619 | - | 6 | - | - | - | - | - | - | 5,625 |
| Employment, Immigration and Industry | 103 | 239 | - | - | 30 | 429 | 49 | - | 3 | - | 853 |
| Energy | 224 | - | 13 | 54 | - | - | - | - | - | 9 | 300 |
| Environment | - | - | 164 | - | - | - | - | - | - | - | 164 |
| Executive Council | - | - | - | 23 | - | - | - | - | - | - | 23 |
| Finance | 28 | - | - | 371 | 65 | - | 34 | - | 295 | - | 793 |
| Health and Wellness | - | - | - | - | 12,045 | - | - | - | - | - | 12,045 |
| Infrastructure and Transportation | 50 | 2 | 25 | 532 | 1 | - | 43 | - | 4 | 2,469 | 3,126 |
| International, Intergovernmental and Aboriginal Relations | 18 | - | - | 11 | - | - | - | - | 39 | - | 68 |
| Justice | - | - | - | - | - | 72 | 310 | - | - | - | 382 |
| Municipal Affairs and Housing | - | - | - | 62 | - | 333 | 44 | 26 | 393 | - | 858 |
| Seniors and Community Supports | - | - | - | - | 91 | 1,673 | - | - | - | - | 1,764 |
| Service Alberta | 3 | - | - | 179 | - | - | 97 | - | - | - | 279 |
| Solicitor General and Public Security | - | - | - | - | - | 18 | 487 | 2 | - | - | 507 |
| Sustainable Resource Development | 212 | - | 36 | - | - | - | 105 | - | - | - | 353 |
| Tourism, Parks, Recreation and Culture | 236 | - | - | - | - | - | 7 | 513 | - | - | 756 |
| Treasury Board | - | - | - | 18 | - | - | - | - | 1 | - | 19 |
| **Total Expense** | **2,128** | **8,724** | **238** | **1,400** | **12,232** | **3,497** | **1,176** | **541** | **735** | **2,478** | 33,149 |

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[1] The allocation of expense by goal is derived from the Expense by Function table in the Fiscal Plan.

[2] Totals include program expense and debt servicing costs.

# MINISTRY BUSINESS PLANS

BUDGET2007
MANAGING OUR GROWTH

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# Reader's Guide

As part of the Government of Alberta's commitment to be open and accountable to the public, as outlined in the *Government Accountability Act*, all ministries are required to prepare and make public three-year ministry business plans. The ministry business plans encompass the department and all consolidated entities of the ministry in its vision, mission, link to the *Government of Alberta Strategic Business Plan*, significant opportunities and challenges, strategic priorities, core businesses, goals, strategies and performance measures.

> **The Vision** provides a clear, concise and compelling statement of the ministry's preferred future.
>
> **The Mission** statement identifies the ministry's purpose and reason for existence. It describes what the ministry does, why and for whom.
>
> **The Link to the Government of Alberta Strategic Business Plan** indicates ministries' linkages to the 10 governmental goals and the strategies that will be the focus of government over the next 12 months.
>
> **Significant Opportunities and Challenges** describe environmental factors that could influence the ministry's ability to implement strategies or achieve goals.
>
> **Strategic Priorities** outline issues of primary importance to the ministry, including the priorites that were set out in the ministers' mandate letters. All ministry strategic priorities are aligned with one of the five Government Priorities.
>
> **Core Businesses** set out the ongoing key responsibilities of the ministry that support the mission and provide a high-level framework for achieving results and allocating resources.
>
> **Goals** are broad statements describing the desired outcomes that the ministry wants to achieve in fulfilling its mission. For each of the goals, a **What it means** section explains the goal and what the ministry is doing on an ongoing basis in support of the goal.
>
> **Strategies** outline specific courses of actions to be undertaken by the ministry to accomplish ministry goals.
>
> **Performance Measures** are quantifiable indicators of progress towards achievement of ministry goals. Performance measures contain **Targets**, which identify a desired level of performance to be achieved in each of the three years of the business plan.

**Additional components** to the business plan may also be included by ministries in order to improve the reader's understanding of the ministry and its activities.

**Numbering of items** in the components of the business plan is done for ease of reference and does not indicate priority rankings.

Ministry business plans include budget information in the form of several financial tables. The **Expense by Core Business** table identifies all ministry expense as assigned to core businesses. The **Ministry Statement of Operations** table includes revenue and expense by each of the ministry's major programs. The **Consolidated Net Operating Result** table identifies total revenue and expense, adjusted for inter-ministry transactions. The **Capital Investment by Program** table is presented for those ministries that have significant capital investment.

# Advanced Education and Technology

BUSINESS PLAN 2007-10

## ACCOUNTABILITY STATEMENT

The business plan for the three years commencing April 1, 2007 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as of March 26, 2007 with material economic or fiscal implications of which I am aware have been considered in preparing the business plan.

The Ministry's priorities outlined in the business plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this business plan.

Doug Horner

Doug Horner, *Minister of Advanced Education and Technology*
March 30, 2007

## THE MINISTRY

The Ministry of Advanced Education and Technology consists of the following entities for budget purposes: Department of Advanced Education and Technology, the Access to the Future Fund, Alberta Research Council Inc. and iCORE Inc. (Alberta Informatics Circle of Research Excellence).

The Minister is also responsible for the Alberta Science and Research Authority and its associated institutes including: Alberta Life Sciences Institute; Alberta Agricultural Research Institute; Alberta Forestry Research Institute; Alberta Energy Research Institute; and Alberta Information and Communications Technology Institute. The Minister also has responsibility for legislation pertaining to the Alberta Heritage Foundation for Medical Research and the Alberta Heritage Foundation for Science and Engineering Research (operating under the trade name "Alberta Ingenuity").

In addition, the following councils and boards provide policies, guidelines and advice to the Minister: the Alberta Council on Admissions and Transfer, the Alberta Apprenticeship and Industry Training Board, the Campus Alberta Quality Council, the Students Finance Board and the Access Advisory Council.

The department's organizational structure has been aligned to support directions determined through the *A Learning Alberta* consultation process as well as the pursuit of Alberta's innovation agenda, and as a result of the merger of the former ministries of Advanced Education and Innovation and Science. The Ministry's 2007-10 business plan identifies how it plans to work over the next three years to enhance advanced learning opportunities and innovation for all Albertans.

Alberta's advanced learning system comprises public board-governed institutions, the apprenticeship and industry training system, community consortia, private providers and community-based organizations. In collaboration with the advanced learning system, industry, communities, government agencies and non-governmental organizations, Advanced Education and Technology strives to create accessible, affordable and quality learning opportunities that are responsive to the ongoing learning needs of Albertans.

Alberta's innovation system, which includes government working collaboratively with industry and academia, strives to create, develop and implement innovation policies, practices and programs that are critical for Alberta if it is to sustain and enhance current levels of prosperity and a high quality of life over the longer term. A highly skilled and qualified work force and the innovative development and application of science and technology are essential for the creation, growth, sustenance and retention of globally competitive research-intensive companies. The Ministry cooperates with key innovation support agencies to foster support for commercialization and innovation activities across the province.

Advanced Education and Technology's vision, mission and principles define the Ministry and support the Government of Alberta's vision to build a vibrant and prosperous province where Albertans enjoy a superior quality of life and are confident about the future for themselves and their children. Advanced Education and Technology's vision is its view of the future. The Ministry's mission describes its purpose and reason for existence; the principles identify the Ministry's method of operating.

## VISION

*Alberta leads the world in inspiring and supporting lifelong learning for all its peoples, and prospers through innovation.*

## MISSION

Advanced Education and Technology's mission is to assist Alberta to be a learning and innovative society.

Skilled and highly qualified people are key elements in a successful economy. Providing all Albertans with affordable access to high quality learning opportunities will ensure that Albertans possess the skills to succeed in their chosen professions. Only then can Alberta fulfill its hope of being a province where the generation of ideas is met by an environment that has the means to commercialize new products and services, creating a prosperous and sustainable future for all Albertans.

## PRINCIPLES

| | |
|---|---|
| **Accessibility** | Anyone who wants to pursue advanced learning in Alberta should be able to do so. |
| **Affordability** | Education must be affordable if it is to be an accessible lifelong pursuit for Albertans. |
| **Diversity** | Alberta's advanced learning and innovation system must respect a rich diversity of communities, cultures, traditions, learner aspirations and abilities. |
| **Collaboration and Alignment** | A resilient, responsive and adaptable learning system, as well as Alberta's ability to capture value through innovation, must be built on a strong foundation of partnerships, coalitions and networks so that efforts are aligned with desired outcomes. |
| **Global Excellence and Competitiveness** | Alberta's advanced learning system's research, technology, and knowledge transfer capacities and capabilities must be world class for Alberta to achieve excellence and be globally competitive. They must meet the needs of learners, enable Alberta to attract and retain highly-qualified students and personnel, and foster company creation, growth and attraction. |
| **Sustainability** | Alberta's advanced learning system and innovation framework must focus on the sustainability of its investments to ensure the province's long-term success in a knowledge-based global economy. |

## LINK TO THE GOVERNMENT OF ALBERTA STRATEGIC BUSINESS PLAN

The Government of Alberta Strategic Business Plan addresses significant opportunities and challenges facing Alberta over the next three years and positions Alberta to make the most of its economic, social and natural advantages. It is a plan to strategically manage growth and plan for a sustainable and secure future. Advanced Education and Technology ensures that its goals, strategic priorities and strategies support Goal One of the Government of Alberta Strategic Business Plan, which states, "Alberta will have a prosperous economy," and Goal Two, which states, "Albertans will be well prepared for lifelong learning." The strategic priorities, goals and strategies also support government's priority to Build a Stronger Alberta.

The following summarizes the priority linkages between the Government of Alberta Strategic Business Plan and the Ministry business plan:

**Government of Alberta Strategic Business Plan:**

- Goal 1 – Alberta will have a prosperous economy
- Goal 2 – Albertans will be well prepared for lifelong learning

**Government Priority – Build a Stronger Alberta:**

- Build on initiatives to increase access, affordability and quality in post-secondary education
- Economic diversification through research and technology commercialization

# SIGNIFICANT OPPORTUNITIES AND CHALLENGES

The key to future prosperity, economic growth and healthy communities is a robust innovation-based research-intensive economy, driven by Albertans with a desire to learn and innovate throughout their lives. There is growing recognition that an affordable, accessible, high quality advanced learning system, and an innovative economy with thriving knowledge transfer and commercialization capabilities are key to facilitating and securing social prosperity, economic success, and a knowledgeable and healthy citizenry. The following opportunities and challenges are considered significant in that they could impact the Ministry's ability to implement strategies and achieve its goals:

**Long-term Economic Growth**

Alberta is faced with unprecedented economic growth and prosperity, creating tremendous opportunities for Albertans because of abundant employment opportunities. In order to sustain this growth Alberta must address challenges as they pertain to the learning and innovation system:

- Abundant employment opportunities have enticed many Albertans to enter the labour force rather than pursue further education. While acquiring the skills to address the immediate needs of the labour market, Albertans must develop the skills and competencies required to meet the needs and opportunities of the future.
- Strong and sustained economic growth has led to significant in-migration. Helping new Albertans and their families integrate successfully into the advanced learning system, labour force and society will allow them to reach their full potential while at the same time helping to address the needs of a growing economy.

**Capturing Value through Innovation**

Alberta is a player in an intensely competitive global economy. The Government of Alberta has put a clear emphasis on developing its technology commercialization capacity and capabilities as well as the value-added sectors of its economy. To do so, Alberta will need to address the following challenges:

- Advance its research and innovation capacity by investing and leveraging external investments in the priority sectors of energy, life sciences, information and communications technologies and nanotechnology. This will lead to commercial applications and increase the value of Alberta's resources, creating opportunities and environmental benefits.
- Encourage greater industry investment in research, technology and innovation through a competitive tax, fiscal and regulatory environment that engages industry and other stakeholders to play a critical role in the innovation system by taking new ideas and turning them into new products, processes and services in the global marketplace.
- Ensure appropriate infrastructure is in place to support applied research and successful demonstration and commercialization of new products and services, thereby providing a major catalyst for Alberta's continued economic prosperity.
- Find key niches in critical areas of the economy, and nurture these strengths so Alberta can compete within a global context. Alberta companies must increase the level and effectiveness of their business and marketing skills. In order to finance and commercialize new technologies, businesses need access to early stage capital, and government needs to encourage and align programs in order to build on sustainable strengths and nurture centres of excellence in commercialization.
- Recognize that research, discovery and transformation of new knowledge are essential to Alberta's economic prosperity. The advanced learning system as well as the business environment must play a key role in attracting, developing, and retaining skilled and highly qualified people who are the key to realizing the province's innovation capabilities and capacity. At the same time, Alberta must support learning in the arts and humanities to foster all the aspects of creativity that drive truly innovative societies.

**Accessibility for all Learners**

Alberta has created a quality advanced learning system. Learning providers not only provide a range of quality educational programming, but also are involved in leading-edge research. Challenges to be addressed are:

- Alberta post-secondary participation rates are among the lowest in Canada, with the exception of apprenticeship training. Albertans should be encouraged to participate at all levels in advanced learning.
- Opportunities need to be provided to enable higher levels of participation among under-represented groups, including Aboriginal, rural and low-income Albertans.
- Many Albertans lack the foundational skills, such as literacy and numeracy, required for success in advanced learning.
- Government has released an Affordability Framework, with the objective of enhancing the affordability of advanced learning to increase access and participation. Addressing aspects of the Affordability Framework will be important to ensure affordability for all learners.
- Alberta's advanced learning system will need to have strong and responsive knowledge networks to allow learners, communities and employers to work collaboratively to develop the knowledge and skills required now and in the future.
- The advanced learning system must improve the supply of quality information to Albertans regarding career, education and training opportunities as well as resources and tools available to support career and educational decisions.

**Building Community Capacity through Collaboration**

Alberta has the opportunity to build a world-class advanced learning system and knowledge-based economy supported through leading edge innovation. Challenges in achieving these ends include:

- Leading edge research, technology and innovation will need to involve increased collaboration between diverse stakeholders, including educational institutions, industry and research organizations.
- Ensuring higher levels of educational attainment and enabling all Albertans to reach their full potential within their communities requires the development of a more inclusive and innovative advanced learning system. The learning system will increasingly need to engage communities and employers in the important journey of advanced learning. Increased collaboration between employers, learning providers and community organizations will be required to allow Albertans to readily move between work and learning.
- Building strong community capacity will require collaboration with stakeholders and partners including schools, community-based educators, post-secondary institutions, literacy groups, students, Aboriginal educators and leaders, business, industry and labour, immigrant and disabled communities, and other under-represented groups. This collaboration will focus on expanded and locally-relevant regional access through increased collaboration with high schools to deliver post-secondary courses, greater use of distributed learning using technology such as Alberta SuperNet, alternative delivery formats such as increased work-site training, and the expansion of degree granting capacity in the colleges.

**Strategic Investment in Advanced Learning and Innovation**

The Government of Alberta has made significant investments in the learning system and in support of research, technology development and innovation, and has put a priority on developing its technology commercialization capacity and the value-added sectors of the economy. To appropriately leverage existing investments and to further develop technology commercialization capabilities, the following challenges will need to be addressed:

- Ensuring the Access to the Future Fund, Alberta Heritage Scholarship Fund, Alberta Heritage Foundation for Medical Research and Alberta Ingenuity continue to play a key role in Alberta's advanced learning system as they are vital elements in achieving Alberta's advanced learning and research strategic priorities.
- Ensuring Alberta's advanced learning system provides affordable learning opportunities, increased access to those opportunities, seamless transitions throughout the system, more research support, and the flexibility learners need to pursue their career aspirations. To do this, Alberta will need to build on the high quality advanced learning foundation we currently have with strategic investments in needs-based student assistance and debt-repayment mechanisms, human resources, facilities, equipment, technology and other supports.
- The Alberta Science and Research Authority and its institutes will continue to strengthen their contribution to science, research, technology and commercialization in key areas: energy, life sciences, information and communications technology and nanotechnology to ensure the sustainable prosperity and quality of life of all Albertans.

# STRATEGIC PRIORITIES 2007-10

The strategic priorities described below have been identified through the ministry's review of environmental factors. These are in addition to the important ongoing core activities of the ministry.

## GOVERNMENT PRIORITY – BUILD A STRONGER ALBERTA

**1. Build on Initiatives to Increase Access, Affordability and Quality in Post-secondary Education**

**Linkage:**
**Goals 1, 2 and 3**

**Access to Advanced Learning Opportunities/Enrolment Planning**

People are the key to Alberta's future prosperity. The success of adult learners depends upon their ability to make smooth transitions to, within and from the advanced learning system. Enhancing these transitions, along with increasing access to learning opportunities, will help Albertans achieve success in the advanced learning system and the labour market. Key activities will be to:

- Develop a framework defining roles and mandates of the public and private not-for-profit post-secondary institutions.
- Ensure strategies are in place to meet the Government's commitment to enrolment planning and increase post-secondary space availability.
- Ensure access of under-represented groups to advanced learning opportunities along the learning continuum, from adult literacy and English as a Second Language programming to post-graduate studies.
- Collaborate with stakeholders to improve First Nations, Métis and Inuit learner success.
- Ensure high levels of awareness among students and their parents of advanced learning opportunities.
- Focus on expanded regional and community access through the strategic application of technology, expansion of degree granting capacity within the system, clarification of roles relative to communities and provision of the tools necessary to allow learners to succeed.
- Foster an advanced learning system that recognizes and values diversity to prepare learners for the global workplace.

**Affordability**

Ensuring that Albertans have access to learning opportunities requires that those opportunities be affordable to learners and their families. Specific activities to be undertaken include:

- Create responsive policies and programs to address the increasingly diverse needs of learners and leverage high rates of participation among all Albertans, including Aboriginal learners, rural Albertans, immigrants and those who are socio-economically disadvantaged.
- Implement elements of the Affordability Framework to assure inclusion of all learners and to ensure that financial need is not a barrier to learning.
- Continue to work with the federal government to ensure assistance levels support the cost of learning and that debt levels are manageable.

**Quality in the Advanced Learning System/Access to the Future Fund**

Maintaining the quality of advanced learning is a priority for Albertans. The quality of the advanced learning system underpins the ability of the system to meet the needs of learners, society and the economy. Specific activities will be to:

- Continue to stimulate private sector donations as well as support innovation and excellence within the advanced learning system through the Access to the Future Fund.
- Continue to pursue the achievement of national and international standards of excellence, and be actively involved in cross-ministry, inter-provincial and international collaboration that will lead to increased standards of performance.
- Collaborate and cooperate, including community collaboration, to achieve a world-class advanced learning system and maximize the benefits to learners and society. Priorities for such collaboration will include literacy, Aboriginal education, system capacity and high standards of excellence in the delivery of degree program opportunities.
- Work towards a seamless advanced learning system so that Alberta learners move easily through a broad array of learning opportunities in a lifelong journey of learning. In a seamless advanced learning system, the entire spectrum of learning providers is collaborative and allows transitions throughout schools, community organizations, learning providers, employers and post-secondary institutions.

**2. Increase Support for Community Education and Literacy Programs**

**Linkage: Goal 2**

The ministry will focus on developing learning communities. A learner-centered society will seek to enable Albertans to acquire foundational skills for lifelong learning, and will equip communities to meet learner needs. Specific initiatives include the development of:

- A community-based education strategic framework.
- Policy options and programs to enhance adult literacy and support Aboriginal education.

**3. Building and Educating Tomorrow's Workforce**

**Linkage: Goals 1 and 2**

Alberta's economic strength depends on a knowledgeable citizenry and a highly skilled workforce. This requires a learning system that gives learners the opportunities and tools to succeed and excel. Advanced Education and Technology will continue to co-lead the Government of Alberta's comprehensive labour strategy, *Building and Educating Tomorrow's Workforce*. Specific priorities will be to:

- Enable the advanced learning system to meet the learning goals of Albertans.
- Inform, attract, develop and retain highly skilled workers to support a vibrant and growing economy.

**4. Economic Diversification through Research and Technology Commercialization**

**Linkage: Goals 4 and 5**

Developing, adopting and commercializing advanced technology are priorities for the Government of Alberta. Advanced Education and Technology will support innovation and knowledge development within the advanced learning system, research organizations and industry as well as provide support for centres of excellence and the transfer of research to commercial products. Some of the key initiatives include:

- Creation of a Value-Added and Technology Commercialization Task Force that will recommend a strategy to increase value-added economic activity and technology commercialization in Alberta.
- Ensure a business environment that is conducive to attracting, creating, growing, sustaining and retaining globally competitive, innovative and research-intensive companies.
- Increased business opportunities and improved quality of life through the application of new technologies to environmental, health care and educational challenges.
- Development, attraction and retention of highly skilled and qualified personnel to support a knowledge-based, research-intensive and value-added economy utilizing effective research organizations/industry interfaces.
- Build and sustain the research capacity of Alberta's innovation system through infrastructure programs, targeted program funding, attraction of other funding and the development of collaborative partnerships.
- Improvements in the capacity and capabilities of firms and institutions to engage in research and development activities in the strategic priority areas of energy, life sciences, information and communications technology and nanotechnology, to build the foundation for the commercialization of technologies.

**5. Building Research and Innovation Capacity**

**Linkage: Goal 4**

Alberta is in a highly competitive global race for outstanding research and innovations that can improve quality of life, foster new opportunities, enhance economic growth in the province, and increase our capacity, capabilities and knowledge in scientific fields in support of future discoveries. Key initiatives under this priority include:

- Continued focus on Alberta's key research priorities in energy, life sciences, information and communications technology and nanotechnology.
- Support advanced energy research and innovation that fosters research and industry development.
- Support life sciences research and innovation that fosters research and industry development through a focus on areas in bioproducts and biorefining, health, resource management, and agriculture and forestry.
- Support nanotechnology research and innovation that fosters research and industry development in strategic areas of energy and the environment, health and medical technologies, and agriculture and forestry.
- Support an information and communications technology strategy that fosters research and innovation development in strategic areas, focusing on our core competencies and creating sustainable infrastructure and industries.
- Support the water research strategy, focused on safe drinking water, efficient water use and healthy watersheds.

# CORE BUSINESSES, GOALS, STRATEGIES & PERFORMANCE MEASURES

Advanced Education and Technology has identified two core businesses, "A Learning Alberta" and "Innovation," that describe the ongoing key responsibilities of the Ministry. Under these core businesses are goals, with specific outcomes, that describe the end results the Ministry wants to achieve in fulfilling its mission. Advanced Education and Technology has identified strategies for 2007-10 that support the Ministry's goals and the government's business plan. Performance measures indicate the degree of success the Ministry has in achieving its goals.

## Core Business One: A Learning Alberta

### GOAL ONE 1 A Learner-Centred System Accessible to all Albertans

**What it means** Advanced Education and Technology strives to provide increased access to high quality advanced learning opportunities for all adult Albertans. It does this through policy, programming and funding support to post-secondary institutions and by working with industry to facilitate the development of training and certification standards in the apprenticeship and industry training system. It also strives to ensure that learner needs are met by seeking ways to make the system more learner-centred, accessible and affordable. The following have been identified as Goal 1 outcomes:

- All Albertans, including Aboriginal and other under-represented groups, have opportunities to participate in the advanced learning system.
- Financial need is not a barrier to participating in the advanced learning system, and financial assistance is available to students to support a seamless system.
- Excellence is rewarded through scholarships and awards.
- Learners have information available to make informed decisions.
- Technology is effectively leveraged to support access and innovation in the advanced learning system.

**Strategies**

1.1 Implement the accessibility, affordability and quality requirements in the *Access to the Future Act*.

1.2 Develop innovative approaches to increase participation of Aboriginal, immigrant and other under-represented groups in learning opportunities.

1.3 Begin implementation of the Affordability Framework to ensure that financial need is not a barrier to participation in advanced learning opportunities.

1.4 Target scholarships, bursaries and grants to increase participation by under-represented Albertans.

1.5 Work with the federal government to develop a strategic response to the cessation of the Canada Millennium Scholarship Foundation.

1.6 Develop a coordinated framework on leveraging the use of technology and enhance learner access and entrance into the advanced learning system through the use of technology, innovation and collaboration with post-secondary institutions.

1.7 Develop innovative approaches to improve participation and achievement in apprenticeship and industry training in response to industry needs.

1.8 Enhance parents' and learners' knowledge and awareness of Alberta's advanced learning system and financial support options through a collaborative raising-awareness and mentorship campaign, and through other effective marketing efforts.

1.9 Promote science and technology awareness within Alberta, including encouraging youth to enter careers in science and technology.

1.10 Ensure scholarship programs are maximizing recognition of the achievement of excellence that occurs throughout the learning process.

1.11 Increase enrolment capacity in the post-secondary system to meet learner and labour market demand.

1.12 Develop a framework that defines roles and mandates of the public and private not-for-profit post-secondary institutions.

1.13 Produce an annual report projecting learner demand (regional and program forecasts).

| **Performance Measures** | **Last Actual (year)** | **Target 2007-08** | **Target 2008-09** | **Target 2009-10** |
|---|---|---|---|---|
| 1.a Public satisfaction that adult Albertans can access education or training | 79%<br>(2005-06) | 76% | 78% | 80% |
| 1.b Proportion of Albertans aged 18-34 participating in post-secondary education | 18%<br>(2006) | 21% | 22% | 23% |
| 1.c New apprentices registered (five year average) | 13,886<br>(2005) | 14,900 | 16,100 | 17,200 |
| 1.d Aboriginal Albertans participating in apprenticeship | 1,137<br>(2005) | 1,350 | 1,500 | 1,600 |
| 1.e Proportion of graduates who agree that the program they graduated from was worth the financial cost | 83%<br>(2005-06) | 85% | n/a | 85% |
| 1.f Ratio of total debt at graduation to income two years after graduation | 37%<br>(2005-06) | 36% | n/a | 35% |
| 1.g Scholarship dollars per full-time student studying in Alberta | $260<br>(2004-05) | $270 | $280 | $290 |

**Note:**

n/a Data available every other year.

A new measure is being developed for this goal that will be linked to the outcome: "All Albertans, including Aboriginal and other underrepresented groups, have opportunities to participate in the advanced learning system." This measure, "Aboriginal Albertans participating at post-secondary institutions," will have targets set upon availability of additional data. The last actual for this measure was 6,386 (2004-05).

## GOAL TWO 2 Vibrant and Sustainable Learning Communities and Partnerships

**What it means** By supporting vibrant and sustainable learning communities, Advanced Education and Technology supports learners from a variety of communities who aspire to participate in high quality, accessible and affordable advanced learning opportunities. This support enhances the opportunities for Albertans to develop and apply the knowledge and skills that will secure Alberta's ability to maximize its economic and human potential now and into the future. Advanced Education and Technology also continues to work collaboratively with partners and stakeholders to enhance quality learning opportunities for Albertans. The following have been identified as Goal 2 outcomes:

- A broad array of learning opportunities is available within local communities.
- Employers, communities, learning providers and government establish effective partnerships.
- Albertans have the skills and aptitudes needed to participate in the economy and their communities.

### Strategies

2.1 Provide opportunities in local communities for adults including Aboriginal, immigrant, youth, and other under-represented groups to access literacy, English as a Second Language and lifelong learning.

2.2 Redesign the community-based adult learning delivery system to ensure community programs are addressing literacy, English as a Second Language and other learning needs of adults.

2.3 Work with Employment, Immigration and Industry to implement the *Building and Educating Tomorrow's Workforce* strategy.

2.4 Encourage increased industry participation and investment in the apprenticeship and industry training system in collaboration with the Alberta Apprenticeship and Industry Training Board, employers and other stakeholders.

2.5 Expand access for Aboriginal Albertans by building partnerships and capacity with providers of Aboriginal adult learning opportunities.

| Performance Measures | Last Actual (year) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 2.a High school to post-secondary transition rate (within six years of entering Grade 10) | 57.5% (2004-05) | 58% | 59% | 60% |
| 2.b Public agreement that programs, classes or courses are offered in locations (including online) that are easily accessible | 77% (2005-06) | 78% | 78% | 78% |
| 2.c Satisfaction of recent post-secondary graduates with the overall quality of their educational experience | 90% (2005-06) | 90%+ | n/a | 90%+ |
| 2.d Satisfaction of recent apprenticeship graduates with on-the-job training | 91% (2004-05) | n/a | 90%+ | n/a |
| 2.e Satisfaction of recent apprenticeship graduates with technical training | 93% (2004-05) | n/a | 90%+ | n/a |

| Performance Measures | Last Actual (year) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 2.f Employer satisfaction with the skills and quality of work of advanced education system graduates | 94%<br>(2005-06) | 90%+ | n/a | 90%+ |
| 2.g Employment rate of recent Alberta advanced education graduates: | | | | |
| • Post-secondary certificate or diploma | 97%<br>(2005-06) | 95%+ | n/a | 95%+ |
| • University degree | 97%<br>(2005-06) | 95%+ | n/a | 95%+ |
| • Journeyperson | 97%<br>(2004-05) | n/a | 95%+ | n/a |

**Note:**
n/a Data available every other year.

## GOAL THREE 3 A Globally Recognized Quality Advanced Learning System

**What it means** Alberta will know that it has a quality advanced learning system when it is seen as a leader in advanced learning and its learning system is globally recognized for its excellence. Alberta will also know it has a quality advanced learning system when it is seen as a destination of choice for international students, faculty and researchers. Ensuring that prior learning, skills and experience are recognized and that credentials are transportable into, within and out of Alberta is important to allow this kind of global movement of learners to take place. It is also important to allow Alberta learners to move easily through a broad array of learning opportunities in a lifelong journey of learning. The following have been identified as Goal 3 outcomes:

- Albertans are achieving advanced learning credentials.
- Albertans are participating in international learning experiences.
- Alberta is globally recognized as a destination of choice for international students, faculty and researchers.
- Credentials, prior learning, skills and experience are valued and recognized.

**Strategies**

3.1 Enhance the infrastructure of Alberta's public post-secondary system to facilitate delivery of high-quality advanced learning opportunities throughout the province.

3.2 Strengthen Alberta's leadership in cooperative pan-Canadian initiatives through: the Council of Ministers of Education, Canada; Canadian apprenticeship councils; and other national forums.

3.3 Implement the international education action plan to facilitate the internationalization of Alberta's advanced learning system and enhance opportunities for Alberta students to engage in international education experiences.

3.4 Work with institutions, employers and professional associations to encourage the recognition of credentials, competencies, prior learning, and work experience of current and prospective Albertans.

3.5 Through the Campus Alberta Quality Council, work with other quality assurance agencies, post-secondary institutions and other stakeholders to enhance the recognition of Alberta's degree programs and graduates.

| Performance Measures | Last Actual (year) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 3.a Educational attainment of Albertans aged 25 to 64:<br>• Proportion having completed post-secondary education | 58%<br>(2006) | 60% | 62% | 62% |
| 3.b Educational attainment of Aboriginal Albertans aged 25 to 64:<br>• Proportion having completed post-secondary education | 43%<br>(2006) | 45% | 45% | 45% |
| 3.c International visa students registered at Alberta post-secondary institutions | 9,196<br>(2005-06) | 9,300 | 9,400 | 9,500 |
| 3.d Percentage of post-secondary graduates with prior learning who reported that they had received the transfer credits they expected | 91%<br>(2005-06) | 90%+ | n/a | 90%+ |

**Note:**

n/a Data available every other year.

## Core Business Two: Innovation

GOAL FOUR 4

### Build Research and Innovation Capacity in Key Areas

**What it means** Strong research capacity and capability at Alberta universities, other research agencies, colleges and technical institutes is a critical building block supporting innovation. The Government of Alberta's commitment to scientific excellence will nurture, support and celebrate creativity, discovery and outstanding research across its diversity. The focus on Alberta's key research areas - energy, life sciences, information and communications technology and nanotechnology - will ensure that critical mass and capacity is achieved. Investments in these priorities are guided by strategies developed by the ASRA (Alberta Science and Research Authority) Research Institutes. Through infrastructure programs and targeted program funding, Alberta's investments attract research funding from a range of sources, resulting in unique partnerships focused on building and sustaining the research capacity of Alberta's innovation system. This goal reflects the vital importance of developing, attracting and retaining high quality people who possess the scientific, technical and entrepreneurial skills needed in an innovative, knowledge-based, research-intensive economy. The following have been identified as Goal 4 outcomes:

- World-class post secondary institutions and research organizations that are recognized globally for academic and research performance.
- Focused areas of research excellence where Alberta has a competitive advantage.
- A highly skilled and qualified workforce that supports research and innovation.
- A collaborative, networked and multidisciplinary research system that spurs innovation.

**Strategies**

4.1 Strengthen Alberta's strategic scientific innovation capacity in key areas by investing in leading-edge research infrastructure and programs to develop, attract and retain highly qualified scientific personnel at Alberta's public research organizations.

4.2 Work through programs such as the Alberta Science and Research Investments Program and the Small Equipment Grants Program, and work with the ASRA (Alberta Science and Research Authority) research institutes including iCORE Inc., Alberta Ingenuity, the Alberta Research Council and the Alberta Heritage Foundation for Medical Research to align efforts and investments towards strategic research priorities.

4.3 Develop a framework to support the emergence of centres of excellence and ensure alignment of investments with institutional priorities and capacity.

4.4 Support advanced energy research and innovation in six core areas: bitumen upgrading, clean carbon/coal, improved recovery, renewable energy, $CO_2$ management and water management.

4.5 Support the implementation of the life sciences strategy focusing on bioproducts, health and resource management innovations.

4.6 Support the implementation of the Alberta Nanotechnology Strategy and the creation of nanoAlberta as the key organization to drive Alberta's nanotechnology agenda.

4.7 Implement the information and communications technology strategy and support an environment that fosters research and industry development in strategic areas: building a "Digital Alberta"; focusing on core competencies that support integrated resource management; enhancing research capacity in information and communications technology; and creating a sustainable infrastructure.

| **Performance Measures** | **Last Actual (2005-06)** | **Target 2007-08** | **Target 2008-09** | **Target 2009-10** |
|---|---|---|---|---|
| 4.a Total sponsored research revenue attracted by Alberta universities ($ million) | 631.6 | 670 | 707 | 739 |
| 4.b Total sponsored applied research revenue attracted by Alberta technical institutes and colleges ($ million) | 6.7 | 6.7 | 6.7 | 6.7 |
| 4.c Energy research: ratio of private and other public investments to Government of Alberta investments | 1.71 | 2.0 | 2.0 | 2.0 |
| 4.d Life sciences research: ratio of private and other public investments to Government of Alberta investments | 1.27 | 1.4 | 1.4 | 1.4 |
| 4.e Information and communications technology research: ratio of private and other public investments to Government of Alberta investments | 1.94 | 1.7 | 1.7 | 1.7 |
| 4.f iCORE Awards (Totals include "new") | | | | |
| • New Research Chairs, Industry Chairs and Professors | 3 | 3 | 3 | 3 |
| • Total Active Research Chairs, Industry Chairs and Professors | 24 | 24 | 24 | 24 |
| • New Graduate Student Scholarships | 105 | 80 | 80 | 80 |
| • Total Active Graduate Student Scholarships | 263 | 200 | 200 | 200 |
| 4.g Number of graduate students studying in Alberta | 15,946 (2004-05) | 16,200 | 16,600 | 16,900 |

## GOAL FIVE 5 Capturing Value through Innovation

**What it means** Innovation, excellence and competitiveness are the cornerstones of a vibrant economy and are the foundations for prosperity and the maximization of the human, social and economic potential of Alberta. Strategic investments in research and development result in innovative ideas, products and processes that, when commercialized successfully for the global market place, have the potential to yield significant economic and social benefits for the province.

This goal reflects the commitment to help Alberta become a place of choice for commercialization in the key areas of energy, life sciences, information and communications technology and nanotechnology. This requires Alberta to be a progressive province that encourages company formation and growth, offers a supportive and competitive tax, fiscal and regulatory environment, and effectively utilizes industry-university interfaces and other support services. In such an environment, ideas are more likely to be developed and brought to market in Alberta, supporting applied research and development, strengthening the commercialization system and encouraging innovation. The following have been identified as Goal 5 outcomes:

- Grow, attract and retain successful companies in Alberta's strategic priority sectors, through increased application and commercialization of research.
- Develop, attract and retain skilled and highly qualified people.
- Increased business research and development.
- Applied research and product development in our colleges and technical institutes that addresses local company needs.
- Growth in Alberta's locally managed venture capital industry.
- Increase implementation of innovative initiatives to enhance Government of Alberta service delivery and facilitate the application of new knowledge.
- Development of partnerships between communities, industry and institutions for technology creation and transfer.

### Strategies

5.1 Work with partners to support the implementation of strategies to accelerate innovation in Alberta through investments in strategic priority areas.

5.2 Work with post-secondary institutions, research foundations, industry associations and other areas of government to enhance the competitiveness of Alberta's business environment with respect to encouraging technology commercialization and adoption.

5.3 Work with partners to foster business opportunities, attract corporate investments, and encourage seed and venture funding.

5.4 Develop, attract, and retain skilled and highly qualified people in Alberta.

5.5 Encourage and support innovative activities within the Government of Alberta.

| Performance Measures | Last Actual (year) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 5.a Percentage of Government of Alberta expense used to support innovation | 1.6%<br>(2004-05) | Increase above prior year[1] | | |
| 5.b Number of Albertans employed in knowledge-intensive (high-tech) companies | 122,900<br>(2005) | 132,000 | 136,000 | 140,000 |
| 5.c Albertans employed in knowledge-intensive companies as a percentage of Albertans employed in all companies | 6.9%<br>(2005) | 7.1% | 7.2% | 7.3% |
| 5.d Percentage of Canadian venture capital invested in Alberta's strategic priority areas | 2.9%<br>(2005) | 3.2% | 3.3% | 3.4% |
| 5.e Alberta business expenditures on research and development ($million) | 782<br>(2003) | 854 | 890 | 926 |

**Note:**

[1] The long-term target for measure 5.a is 5 per cent by 2015.

# ORGANIZATIONAL STRUCTURE SUPPORTING OUR BUSINESS PLAN

Advanced Education and Technology has two core businesses: "A Learning Alberta" and "Innovation."

## A LEARNING ALBERTA CORE BUSINESS: PROGRAM DIVISIONS

The core business of A Learning Alberta features two program divisions: **Adult Learning** and **Apprenticeship and Industry Training**. These program divisions provide learning services and standards for the advanced learning system, and provide a framework for achieving results and allocating resources. These divisions work closely with advanced learning system stakeholders and provincial ministry partners to ensure program continuity and smooth transitions for learners.

### Adult Learning

The Adult Learning Division works with adult learners and the public and private post-secondary institutions to support learners, provide learning opportunities and enhance the advanced learning system. Specifically, the Division: funds advanced learning providers; provides student financial assistance to Albertans; coordinates and approves programs of study at public institutions; licenses and approves programs offered by private providers; and funds, supports and provides community adult learning opportunities.

### Apprenticeship and Industry Training

The Apprenticeship and Industry Training Division works with industry, employer and employee organizations, technical training providers, government and ministry divisions to support the development, maintenance, and delivery of designated trade and occupation programs. Specifically, the Division: provides planning, coordination, and policy support to the Alberta Apprenticeship and Industry Training Board and its network of industry committees; facilitates industry's development of training and certification standards; counsels apprentices and employers; provides funding for approved programs; promotes participation and certifies individuals in designated trades and occupations; and monitors the workplace for compliance with the *Apprenticeship and Industry Training Act* and regulations.

## INNOVATION CORE BUSINESS: PROGRAM DIVISIONS

The core business of innovation focuses on implementing the province's innovation agenda. Ministry efforts are focused on increasing commercialization and adoption of research thereby encouraging industry growth; encouraging and supporting innovation within the Government of Alberta; building the capability and capacity of the innovation system; and building research and innovation excellence in the strategic priority areas of energy, information and communications technology, nanotechnology and life sciences. The two divisions of the Innovation core business are **Research** and **Technology Commercialization**.

### Research

The Research Division works with the Alberta Science and Research Authority and its affiliated research institutes for Life Sciences, Energy, Information and Communications Technology, Agriculture and Forestry to coordinate, support and promote research, development and innovation in the strategic priority sectors of energy, life sciences (e.g., agriculture, forestry, health, water), information and communications technology and nanotechnology. The University Research and Strategic Investments Branch administers the Alberta Science and Research Investments Program, facilitating alignment with the Research Institutes' initiatives where appropriate. The branch also administers the government's Innovation Program.

### Technology Commercialization

The Technology Commercialization Division supports the creation and establishment of new technology companies in key emerging industries by focusing on four areas of activity: technology development services; business development services; access to capital; and international partnerships and investment attraction. The Division also provides the department with information management and technology services.

## SUPPORTING FUNCTIONS

### Policy and Planning

The Policy and Planning Division ensures the Ministry and its activities and programs are well planned and accountable for performance. System issues are defined and understood through comprehensive environmental scanning, analysis and information collection processes. Policy options are identified and information, policies and planning directions are communicated to help the Ministry achieve its goals. The Division also provides department-wide legislative services.

### Communications

Communications provides timely, strategic communications support and advice (planning, consulting and technical guidance) to the Minister and the department on key issues, policies and initiatives. Communications works closely with other provincial departments and other levels of government, media, stakeholders, educational institutions and others to inform Albertans about the importance of advanced learning and innovation.

### Finance and Administration

Finance and Administration provides strategic advice and services to the Ministry in areas such as financial planning, reporting and operations. The goal of Finance and Administration is to ensure the effectiveness and efficiency of financial management, accountability and administration functions within the Ministry.

### Human Resources

Human Resources provides consultation and support, and advises the department on all activities related to the management of its human resources such as: policy and planning; staffing; performance management; job classification and organization design; employee relations; staff development; occupational health and safety; wellness; and pay and benefits.

# ADVISORY BOARDS, COUNCILS AND AUTHORITIES

**Access Advisory Council**
The Access Advisory Council provides strategic advice and recommendations to the Minister of Advanced Education and Technology regarding the objectives, operation and reporting of the Access to the Future Fund. The Council consists of nine public members, including a chair, who are appointed by the Minister.

**Alberta Apprenticeship and Industry Training Board**
The Alberta Apprenticeship and Industry Training Board works with industry to establish the standards and requirements for training and certification in programs under the *Apprenticeship and Industry Training Act*. The Board makes recommendations to the Minister of Advanced Education and Technology about the needs of Alberta's labour market for skilled and trained workers and the designation of trades and occupations. The Board establishes or recognizes trade and occupation-specific industry committees and appoints members to these committees, and promotes participation in careers, training, and certification in trades and occupations. The Board consists of 13 members, appointed by the Lieutenant Governor in Council, who are knowledgeable about training in trades and occupations and the needs of the Alberta labour market. Employers and employees are represented in equal numbers. Eight of the members represent employers and employees in designated trades and four represent employers and employees in other industries.

**Alberta Council on Admissions and Transfer**
The Alberta Council on Admissions and Transfer is a 15-member Council, with representation from the public, students, the universities, public colleges and technical institutions, private colleges and Alberta Education. As an independent body, which reports annually to the Minister of Advanced Education and Technology, it is responsible for developing policies, guidelines and procedures designed to facilitate transfer agreements among post-secondary institutions. The framework for these admissions and transfer agreements is contained in the Council's principles, policies and procedures, published in the *Alberta Transfer Guide*.

**Campus Alberta Quality Council**
In spring 2004, the *Post-secondary Learning Act* was proclaimed into law, which provides for the establishment of the Campus Alberta Quality Council. The Campus Alberta Quality Council is an 11-member Council that provides advice to the Minister of Advanced Education and Technology with respect to the quality of all proposed degree programs at both public and private institutions. It is also responsible for monitoring the programs once approved to ensure that the Council's conditions and quality standards continue to be met.

**Students Finance Board**
The Students Finance Board is an 11-member Board appointed by the Minister of Advanced Education and Technology. The members of the Board serve three-year terms, and may serve no more than two terms. The Board provides advice to the Minister on matters pertaining to student financial assistance, including scholarships under the *Alberta Heritage Scholarship Act*.

**Alberta Science and Research Authority**
Alberta Science and Research Authority is a provincial corporation comprising members of Alberta's academic, business and research communities, appointed by government. The authority's mission is to enhance the contribution of science and research to the sustainable prosperity and quality of life of all Albertans. In order to fulfill this mission, the authority functions as the senior science and research advisory body to the Government of Alberta. The authority includes:

- Alberta Life Sciences Institute
- Alberta Agricultural Research Institute
- Alberta Forestry Research Institute

- Alberta Energy Research Institute
- Alberta Information and Communications Technology Institute

*Alberta Life Sciences Institute*
Alberta Life Sciences Institute is an unincorporated board comprising representatives from industry, academia and government. It provides strategic direction, sets priorities for research and monitors performance on the expansion of the province's bio-economy.

*Alberta Agricultural Research Institute*
Alberta Agricultural Research Institute is an unincorporated board comprising representatives from industry, academia and government. It provides strategic direction in agricultural production and value-added products research and development and coordinates investment in agricultural research and development for the province.

*Alberta Forestry Research Institute*
Alberta Forestry Research Institute is an unincorporated board comprising representatives from industry, academia and government. It provides strategic direction for, and encourages and supports private and public investment in the economic, environmental, ecological and community sustainability of Alberta's forestry sector.

*Alberta Energy Research Institute*
Alberta Energy Research Institute is an unincorporated board comprising representatives from industry, academia and government. It provides strategic direction to position Alberta for the future in energy development and invests in research and technology to enhance sustainable development of the province's abundant energy resources.

*Alberta Information and Communications Technology Institute*
Alberta Information and Communications Technology Institute is an unincorporated board comprising representatives from industry, academia and government that provides strategic advice and policy recommendations to government, and sets priorities for research. It will expand and update the province's existing information and communications technology research and innovation strategy and provide direction for public investment in research and development activities throughout the province.

## ENTITIES INCLUDING FUNDS

**Access to the Future Fund**
The Access to the Future Fund supports innovation and excellence within the advanced learning system in order to enhance and expand accessible, affordable and high quality learning opportunities. The Fund receives income from an endowment held within the Alberta Heritage Savings Trust Fund. Established in 2005, the endowment is targeted to reach $3 billion at full implementation.

**Alberta Research Council Inc.**
Alberta Research Council Inc. is a not-for-profit corporation owned by the Government of Alberta, through the Ministry of Advanced Education and Technology. A board of directors that includes representatives from the business and research communities in Alberta governs the council. The council delivers innovative science and technology solutions to meet the priorities of industry and government in Alberta and beyond. Integrated multi-disciplinary teams help customers and partners take technologies from the laboratory to the field, strengthening their competitiveness and sustainability. The council accelerates the development and commercialization of products, processes and services in the energy, life sciences, agriculture, environment, forestry and manufacturing sectors.

**iCORE Inc. (Informatics Circle of Research Excellence)**
iCORE Inc. is a not-for-profit corporation owned by the Government of Alberta through the Ministry of Advanced Education and Technology. A board of directors that includes representatives from the business and research communities in Alberta governs the corporation. iCORE Inc. is part of the strategy to develop the innovation-based economy of the province by attracting world-class information and communications technology researchers and graduate students to Alberta. iCORE Inc. invests in people - the highest calibre research scientists capable of working on fundamental and applied problems in informatics. Access to research expertise and high quality students provides Alberta's traditional and emerging industry sectors with the knowledge and human resources needed to compete in the global economy.

**Alberta Heritage Foundation for Medical Research**
Established by the Government of Alberta in 1980, the Alberta Heritage Foundation for Medical Research supports biomedical and health research at Alberta universities, affiliated institutions, and other medical and technology-related institutions. The foundation is an independent body at arms-length from, but accountable to, the government, reporting through the Minister of Advanced Education and Technology.

The foundation currently provides funding for over 600 researchers and researchers-in-training. The foundation's commitment is to fund health research based on international standards of excellence carried out by new and established investigators and researchers-in-training. Total funding awarded since 1980 is in excess of $850 million.

**Alberta Ingenuity (Alberta Heritage Foundation for Science and Engineering Research)**
Alberta Ingenuity is the trade name of the Alberta Heritage Foundation for Science and Engineering Research and was established in 2000. It supports a balanced, long-term program of science and engineering research based in Alberta to nurture the discovery of new knowledge and encourage its application to benefit Albertans. Alberta Ingenuity is an independent body at arms-length from, but accountable to, the government, reporting through the Minister of Advanced Education and Technology.

## EXPENSE BY CORE BUSINESS
(thousands of dollars)

| | Comparable | | | | | |
|---|---|---|---|---|---|---|
| | 2005-06 Actual | 2006-07 Budget | 2006-07 Forecast | 2007-08 Estimate | 2008-09 Target | 2009-10 Target |
| A Learning Alberta | 1,827,039 | 2,202,476 | 2,331,733 | 2,863,270 | 2,844,981 | 2,592,188 |
| Innovation | 196,742 | 181,373 | 200,782 | 230,775 | 189,536 | 167,496 |
| **MINISTRY EXPENSE** | 2,023,781 | 2,383,849 | 2,532,515 | 3,094,045 | 3,034,517 | 2,759,684 |

# MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

| | Comparable | | | | | |
|---|---|---|---|---|---|---|
| | 2005-06 Actual | 2006-07 Budget | 2006-07 Forecast | 2007-08 Estimate | 2008-09 Target | 2009-10 Target |
| **REVENUE** | | | | | | |
| Internal Government Transfers | 131,338 | 163,159 | 168,969 | 176,001 | 176,686 | 178,033 |
| Transfers from Government of Canada | 214,304 | 254,147 | 230,851 | 383,306 | 465,962 | 461,956 |
| Investment Income | 6,356 | 8,500 | 10,220 | 10,650 | 12,550 | 14,650 |
| Premiums, Fees and Licences | 4,613 | 5,209 | 6,709 | 8,160 | 9,160 | 10,160 |
| Other Revenue | 42,169 | 44,984 | 42,564 | 45,061 | 45,013 | 45,013 |
| **MINISTRY REVENUE** | 398,780 | 475,999 | 459,313 | 623,178 | 709,371 | 709,812 |
| **EXPENSE** | | | | | | |
| **Program** | | | | | | |
| Support for Adult Learning | 1,471,077 | 1,626,156 | 1,690,513 | 1,807,363 | 1,930,737 | 2,068,432 |
| Support to Post-Secondary Learners | 129,213 | 187,715 | 144,501 | 189,258 | 189,499 | 184,098 |
| Post-Secondary Facilities Infrastructure | 185,000 | 277,143 | 395,443 | 743,329 | 606,457 | 220,874 |
| Apprenticeship Delivery | 23,203 | 27,129 | 28,629 | 30,746 | 32,221 | 31,611 |
| Alberta Centennial Education Savings Plan | 2,801 | 19,500 | 8,175 | 19,500 | 19,500 | 19,500 |
| Research and Innovation Capacity | 76,090 | 83,638 | 107,086 | 132,502 | 90,799 | 68,525 |
| Technology Commercialization | 42,905 | 12,889 | 12,889 | 12,962 | 13,035 | 13,108 |
| Policy and Planning | 5,483 | 6,428 | 5,666 | 6,246 | 6,364 | 6,477 |
| Ministry Support Services | 13,822 | 18,357 | 18,668 | 19,179 | 18,437 | 18,546 |
| Access to the Future Fund | - | 45,000 | 45,000 | 52,729 | 46,721 | 47,649 |
| Alberta Research Council Inc. | 61,439 | 68,451 | 65,102 | 68,768 | 69,464 | 70,161 |
| iCORE Inc. (Informatics Circle of Research Excellence) | 12,412 | 11,438 | 10,838 | 11,458 | 11,278 | 10,698 |
| Valuation Adjustment | 336 | 5 | 5 | 5 | 5 | 5 |
| **MINISTRY EXPENSE** | 2,023,781 | 2,383,849 | 2,532,515 | 3,094,045 | 3,034,517 | 2,759,684 |
| Gain (Loss) on Disposal and Write Down of Capital Assets | (35) | - | 22 | - | - | - |
| **NET OPERATING RESULT** | (1,625,036) | (1,907,850) | (2,073,180) | (2,470,867) | (2,325,146) | (2,049,872) |

# CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

| | Comparable | | | | | |
|---|---|---|---|---|---|---|
| | 2005-06 Actual | 2006-07 Budget | 2006-07 Forecast | 2007-08 Estimate | 2008-09 Target | 2009-10 Target |
| Ministry Revenue | 398,780 | 475,999 | 459,313 | 623,178 | 709,371 | 709,812 |
| *Inter-ministry consolidation adjustments* | (133,392) | (165,159) | (171,119) | (178,001) | (178,686) | (180,033) |
| **Consolidated Revenue** | 265,388 | 310,840 | 288,194 | 445,177 | 530,685 | 529,779 |
| Ministry Expense | 2,023,781 | 2,383,849 | 2,532,515 | 3,094,045 | 3,034,517 | 2,759,684 |
| *Inter-ministry consolidation adjustments* | (2,054) | (2,000) | (2,150) | (2,000) | (2,000) | (2,000) |
| **Consolidated Expense** | **2,021,727** | **2,381,849** | **2,530,365** | **3,092,045** | **3,032,517** | **2,757,684** |
| Gain (Loss) on Disposal and Write Down of Capital Assets | (35) | - | 22 | - | - | - |
| **CONSOLIDATED NET OPERATING RESULT** | (1,756,374) | (2,071,009) | (2,242,149) | (2,646,868) | (2,501,832) | (2,227,905) |

# Agriculture and Food

BUSINESS PLAN 2007-10

## ACCOUNTABILITY STATEMENT

The business plan for the three years commencing April 1, 2007 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as of March 26, 2007 with material economic or fiscal implications of which I am aware have been considered in preparing the business plan.

The Ministry's priorities outlined in the business plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this business plan.

George Groeneveld, *Minister of Agriculture and Food*
March 28, 2007

## THE MINISTRY

The Ministry of Agriculture and Food consists of the Department of Agriculture and Food and Agriculture Financial Services Corporation. The Ministry is also responsible for the Office of the Farmers' Advocate; Irrigation Council; Agricultural Products Marketing Council; and Alberta Grain Commission.

## VISION

*Growing Alberta farms, processors, and all other agricultural businesses in support of a vibrant rural Alberta.*

## MISSION

To enable the growth of a globally competitive, sustainable agriculture and food industry through essential policy, legislation, information and services.

## CORE BUSINESSES

Core Business 1: Facilitate Sustainable Industry Growth
Core Business 2: Support and Strengthen Rural Sustainability
Core Business 3: Strengthen Business Risk Management

## LINK TO THE GOVERNMENT OF ALBERTA STRATEGIC BUSINESS PLAN

In striving to achieve its mission, Agriculture and Food contributes to Goal 1: Alberta will have a prosperous economy. The Ministry contributes to this goal by enhancing industry competitiveness and growth through key initiatives such as the Agriculture Growth Strategy and the Agri-Environmental Strategy.

Agriculture and Food also contributes to Goal 4: Alberta will have a financially stable, open and accountable government and maintain its strong position nationally and internationally.

Agriculture and Food contributes to the Government Priority: Manage Growth Pressures. This contribution is made by leading the establishment of a new Institute for Agriculture, Forestry and the Environment to identify market-based solutions to increase environmentally sound practices in the renewable resource sectors.

## SIGNIFICANT OPPORTUNITIES AND CHALLENGES

Like many other industries, agriculture continues to see significant opportunities and challenges as a result of several international drivers and domestic trends. The big opportunities lie outside Canada's borders where populations and incomes are rising and lifestyles changing. This reality accompanies the fact that Canada is already a significant net exporter of agri-food products as the third largest exporter in the world.

This external orientation is much more pronounced for Alberta and is not unique to the agri-food sector. Generally speaking, Alberta is a trading jurisdiction and growth essentially equates to growing exports. Reliance on outside markets creates unique challenges. Many factors are outside the direct control of exporting countries. Further, policy decisions made by outside jurisdictions can affect markets and trade opportunities.

Heavy reliance on outside markets also amplifies some fundamental factors in driving growth - competitiveness and comparative advantage. For the bulk of Alberta products, growth entails capturing market share from multiple competitors. An associated feature for economies like Alberta is that it is increasingly difficult to compete internationally against emerging low-cost shippers of raw and semi-processed commodities. This has unique implications, for example in terms of factors that may inhibit increases in domestic usage of raw materials or impact negatively on competitiveness in upstream activities.

The Ministry is responding by continuing to work with industry and other governments to enable industry to compete globally and take advantage of significant opportunities and challenges. Key responses include equipping producers with the right tools and information to take full advantage of opportunities and make effective risk management decisions, removing unnecessary regulation and continued focus on improving overall market access for Alberta goods and services.

Competing land use interests, water and environmental considerations are all issues that will require ongoing focus of the Ministry, industry and other government agencies in allowing the industry to prosper while maintaining the province's natural advantage and preserving Alberta's environment.

The Ministry can further enhance industry competitiveness by working with the Canadian Food Inspection Agency, Health Canada, Alberta Health and Wellness, and the Regional Health Authorities in developing an overall provincial food safety strategy by September 2007. Agriculture and Food also continues to participate in the development of a national strategy for food safety, Canada's Strategy for Safe Food at the federal/provincial/territorial level.

The Institute of Food and Agriculture Sciences, Alberta; a collaboration of Agriculture and Agri-Food Canada, the Alberta Research Council, the University of Alberta and Agriculture and Food continues to be of increasing importance in delivering internationally recognized, multidisciplinary programs, which have critical mass, strengthening Alberta's applied research and technology commercialization capacity.

The Ministry will partner with industry to address the challenges and opportunities in order to achieve industry competitiveness and growth, while respecting environmentally sound practices.

## STRATEGIC PRIORITIES 2007-10

Through the Ministry's review of external and internal challenges, the strategic priorities described below have been identified. These are in addition to the important ongoing core activities of the Ministry. The Strategic Priorities of the Agriculture and Food Ministry contribute to competitiveness of the Agriculture industry. Agriculture and Food works to achieve these priorities with respect to sound environmental practices that allows for sustainable growth of the industry.

### GOVERNMENT PRIORITY – MANAGE GROWTH PRESSURES

1. **Establish a New Institute of Agriculture, Forestry and the Environment**

   Lead the establishment of a new Institute for Agriculture, Forestry and the Environment to identify market-based solutions to increase environmentally sound practices in the renewable resource sectors.

   **Linkage:**
   **Goals 1 and 3**

### GOVERNMENT PRIORITY – IMPROVE ALBERTANS' QUALITY OF LIFE

2. **The Agri-Environmental Strategy**

   The Ministry will work collaboratively with industry to develop an agri-environmental strategy that will result in increased industry competitiveness and sustainable growth, increased public confidence in the agriculture sector and continued and enhanced environmental responsibility. Industry and government priorities will be identified and action plans will be established that support linkages to the Water for Life Strategy, Rural Development Strategy and the Agriculture Growth Strategy.

   **Linkage:**
   **Goals 1, 3, 4, 5 and 6**

## GOVERNMENT PRIORITY – BUILD A STRONGER ALBERTA

| | |
|---|---|
| **3. Animal Health and Food Safety Surveillance**<br>**Linkage: Goal 2** | The Ministry and the provinces livestock industries are committed to implementing processes that will help maintain Canada's status as a minimal risk country and promote Alberta's safe food practices as among the best in the world helping to continue and grow the livestock industry. |
| **4. Agriculture Policy Framework**<br>**Linkage: Goals 1, 2, 3, 5 and 6** | Renewal of the Agriculture Policy Framework is of key importance to Agriculture and Food. Agriculture Policy Framework is a five-year, federal-provincial-territorial agreement on agriculture that came into force in 2003. Currently, Agriculture Policy Framework programming falls under five integrated pillars: Food Safety and Quality, Science and Innovation, Environment, Renewal, and Business Risk Management. The framework also supports action in the international arena to help the sector capitalize on domestic strengths and success. |
| **5. Support Rural Alberta**<br>**Linkage: Goal 4** | Agriculture and Food will work in partnership with other ministries to strengthen and support rural Alberta. This will be accomplished by providing technical assistance and educational information to the agriculture community. The Ministry will continue to partner with rural businesses, support networks and organizations that allow rural businesses to achieve sustainable growth. |
| **6. Support Industry Competitiveness and Growth**<br>**Linkage: Goals 1 and 6** | Support industry competitiveness and growth by developing a new World Trade Organization Transition Assistance Program for Agriculture, and granting better access to capital for farmers through the Alberta Treasury Branches and Agriculture Financial Services Corporation. |
| **7. The Agriculture Growth Strategy**<br>**Linkage: Goals 1 and 4** | The industry opportunity to sustainably grow primary agricultural production to $10 billion and value added to $20 billion will be achieved through the implementation of the growth strategy by industry. The Ministry will continue to work in partnership with industry to address labour shortages through an Agriculture Workforce Strategy, generate greater value from products, encourage development of new industries and facilitate long-term, sustainable growth in established sectors. |

# CORE BUSINESSES, GOALS, STRATEGIES & PERFORMANCE MEASURES

## Core Business One: Facilitate Sustainable Industry Growth

### GOAL ONE 1 Sustainable growth of the food and non-food* agriculture industry

**What it means** This goal recognizes that sustainable growth creates opportunities and wealth for all segments of the food and non-food agriculture industry, and contributes to the diversification and prosperity of the province. The Ministry contributes to this goal by working with industry to focus on consumer driven market opportunities that increase long-term profitability and industry competitiveness.

To achieve this goal, the Ministry will incorporate the objectives of the following initiatives into the appropriate division operating plans:

- Alberta's Agriculture Growth Strategy;
- Securing Tomorrow's Prosperity (A Strategy for Sustaining the Alberta Advantage);
- Alberta's Agriculture Research and Innovation Strategic Framework;
- Agriculture Workforce Strategy;
- Agricultural Policy Framework; and
- provide continued support for A Place to Grow – Alberta's Rural Development Strategy.

* Non-food refers to agricultural services and feed or industrial products manufactured from agricultural inputs.

**Strategies**

1.1 Encourage development of new products, processes and services that respond to new market opportunities and enhance diversity.

1.2 Facilitate capital investment by industry and grant better access to capital for farmers through opportunity identification, evaluation and lending products.

1.3 Advocate policies, develop and deliver programs or initiatives (such as the World Trade Organization Transition Assistance Program), and develop networks that facilitate market access, human resource development and industry competitiveness.

1.4 Develop and administer essential policy, legislation and regulations.

1.5 Deliver and/or support targeted research, technology, information and services to enhance sustainability, competitiveness and market access.

1.6 Work with partners to ensure investment in essential physical infrastructure.

1.7 Address the current labour shortage for the agriculture and food industry for Alberta by developing an Agriculture Workforce Strategy.

| Performance Measures | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 1.a Number of value added products developed and successfully introduced to market with assistance from Agriculture and Food | 42 | 90 | 105 | 105 |
| 1.b Research and development investment by collaborators leveraged through ministry resources ($ million) | 7.6 | 10 | 12 | 12 |
| 1.c Total leveraged investment in agri-industry businesses (farm-business and agri-business) facilitated by Agriculture Financial Services Corporation lending services ($ million) | 244 | 360 | 374 | 388 |

GOAL TWO 2

## Continued excellence in food safety

**What it means** This goal recognizes that a reputation for excellence in food safety is essential to maintain consumer confidence and expand markets, both domestic and international.

The Ministry contributes to this goal by promoting or directing implementation of food safety systems in the production of food. This is achieved through essential food safety legislation, regulations, policy and education, and through surveillance systems that support consumer confidence and market access. These initiatives support the development of a national approach to food safety as identified in the Agricultural Policy Framework.

**Strategies**

2.1 Facilitate adoption of internationally accepted food safety systems and standards in production and processing of Alberta food.

2.2 Maintain a continually improving surveillance system that validates and identifies opportunities for enhancing the safety of Alberta's agriculture and food products.

2.3 Ensure Alberta's interests are reflected in national, provincial and industry food safety and traceability initiatives.

2.4 Enhance food traceability systems to reduce risks to Alberta's agriculture and agri-food industry, enhance consumer confidence and market access for Alberta agri-food products.

2.5 Review and administer essential policy, legislation and regulation, and facilitate emergency response.

2.6 Develop and transfer knowledge and technology in support of safe food production and processing.

2.7 Deliver information and programs that enhance Alberta's reputation for safe food production and support access to domestic and international markets.

| Performance Measures | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 2.a Number of surveillance and monitoring initiatives designed to measure hazards in food production | 24 | 18 | 20 | 22 |
| 2.b Percentage of Alberta production produced under On Farm Food Safety Programs[1] | | | | |
| • chicken farms | 100% | 98% | 98% | 98% |
| • hog farms | 91.6% | 98% | 98% | 98% |
| 2.c Number of On Farm Food Safety (cumulative) | | | | |
| • trained beef feedlot and cow/calf operators | 1700 | 2700 | 3700 | 4700 |
| • certified beef feedlot and cow/calf operations | 14 | 41 | 65 | 100 |
| 2.d Percentage of Alberta licensed abattoirs that have added a preventative system to their existing food safety system[2] Red meat – Meat Facilities Standard | 22% | 45% | 75% | 95% |
| 2.e Number of Alberta food processing facilities participating in the Alberta HACCP[3] Advantage Program (cumulative) | 0[4] | 80 | 160 | 240 |

**Notes:**

1 Federal Agriculture Policy Framework funding originally designated for On Farm Food Safety programs has been withdrawn and re-directed entirely toward Post Farm level operations. This has severely limited Agriculture and Food's involvement with On Farm Food Safety implementation in Alberta.

2 The 2005-2006 last actual result reported here follows a different definition of "Added a preventative system" than will be used in 2006-2007 and subsequent years.

3 HACCP is an acronym, which means Hazard Analysis Critical Control Point. HACCP is a system which identifies, evaluates, and controls hazards, which are significant for food safety.

4 The last actual for 2005-2006 is reported here as "0" because this program began in April 2006. The first payment issued to a participant in the AHA program was issued in December 2006. Cheques are issued upon the completion of a work plan, which is developed as part of the funding process. Work plans may take up to a year to complete.

## Core Business Two: Support and Strengthen Rural Sustainability

GOAL THREE 3

### Improved environmental stewardship

**What it means** This goal recognizes it is the role of the Ministry to assist the agriculture and food industry to maintain or improve management systems that reduce environmental risks and support competitiveness of the industry regarding Alberta's air, water and land for the well being of current and future generations. The Ministry contributes to this goal through essential policy, legislation, information and services related to water quality, air quality, climate change and biodiversity.

To achieve this goal the Ministry will incorporate the objectives of the Environment Chapter of the Agricultural Policy Framework, *Water for Life: Alberta's Strategy for Sustainability*, the Agriculture Growth Strategy, the Rural Development Strategy and the agricultural components of the provincial Climate Change Strategy into appropriate division operating plans.

**Strategies**

3.1 Support and conduct applied/adaptive research and evaluations to develop economically sound, environmentally friendly, beneficial management practices for relevant areas of crop and livestock production and agricultural processing.

3.2 Transfer integrated technology and knowledge to assist the industry in becoming more environmentally sustainable, including provision of support for adoption of environmental farm plans.

3.3 In consultation with the industry and other involved ministries, provide guidelines, standards, regulations and legislation for environmental performance requirements to sustain the quality of Alberta's soil, water and air.

3.4 Monitor the effect of the agricultural production and processing industry on soil and water quality.

3.5 Lead the establishment of an institute to identify market-based solutions to increase environmentally sound practices in the renewable resource sectors.

| Performance Measures | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 3.a Percentage of producer survey respondents who have adopted improved environmentally sustainable agriculture practices[1] | 53<br>(2003-04) | n/a | n/a | 63 |
| 3.b Number of producers provided with specific training and technical support to enable development of environmental farm plans[2] | 5,056 | 6,500 | 8,000 | 9,500 |

**Notes:**

1 A formal evaluation is completed every three years, with the next surveys to be conducted in 2009-10 and reported in June 2010.

2 Targets for this measure reflect a cumulative growth of 1500 per year.

## GOAL FOUR 4 Support strengthened rural communities

**What it means** This goal recognizes that a vibrant rural Alberta with increased capability contribute to a prosperous province. The Ministry contributes to this goal by working to strengthen rural communities through facilitating agri-business growth and development. The Ministry will also achieve this goal by supporting the priorities of the Rural Development Strategy in collaboration with other ministries and stakeholders.

To achieve this goal it is essential to strengthen the capacity of producers and agri-food businesses to meet opportunities and challenges. Strengthening the business aspect and providing support for networks and organizations will contribute to a vibrant rural Alberta.

**Strategies**

4.1 Support the development of rural organizations and infrastructure.

4.2 Provide leadership and skill development for youth and adults actively engaged in or able to contribute to the agriculture industry.

4.3 Facilitate the growth and development of diverse agricultural and rural businesses and their networks.

4.4 Support a collaborative, cross-Ministry approach that responds to the priorities of the Rural Development Strategy.

| Performance Measures | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 4.a Total investment leveraged in rural businesses[1] facilitated through Agriculture Financial Services Corporation lending services[2] ($ million) | 246 | 455 | 473 | 492 |
| 4.b Percentage of ministry-supported, agriculture related community activities that focus on leadership development | 31 | 30 | 30 | 30 |
| 4.c Percentage of rural youth and adults participating in ministry-supported programs that report effective learning from those programs | 93 | 90 | 90 | 90 |

**Notes:**

1 In reporting the last actual and target figures for 2006-09, rural businesses refers to all businesses outside Edmonton and Calgary including primary and secondary agriculture businesses, as well as other rural businesses.

2 The figures presented in the targets represent all investment in rural businesses, including Agriculture Financial Services Corporation direct assistance, other partnered lending sources and borrower equity.

GOAL FIVE

## 5 Effective risk management decisions by agricultural business managers

**What it means** This goal recognizes the business-level risk associated with operating an agri-business. Risk arises from a broad range of sources, including:

- Production, as affected by weather extremes, disease epidemics, and other factors; and
- Product pricing, as affected by unforeseen shifts in local and global markets.

Cooperative efforts by service providers will target business risk management training and information dissemination, allowing managers to adopt effective risk management practices to grow their businesses in a profitable, sustainable fashion.

"Agricultural business manager" is an inclusive term indicating the breadth of businesses in the agriculture sector, from primary to value added, using risk management processes and tools in decision making.

This goal is manager driven. The manager makes the decisions, not government on behalf of the manager.

**Strategies**

5.1 Determine risk management information needs of business managers in the primary and value added sectors.

5.2 Collect, develop and distribute data and information to support business risk management decisions in the primary and value added sectors.

5.3 Facilitate development and use of analytical tools to proactively identify, measure and manage business risk in the primary and value added sectors.

5.4 In collaboration with the private sector, provide information and training on business risk management tools and strategies in the primary and value added sectors.

| Performance Measures | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 5.a Percentage of managers surveyed indicating the use of risk management tools for improved decision making[1] | 22.1% | n/a | 30% | n/a |

**Note:**

1 A formal evaluation is conducted every 3 years. The next survey will be conducted in 2008-09 and reported in June 2009. (Targets for this measure have been restated based on last actual results and to remain consistent with Government of Alberta reporting practices.)

GOAL SIX 6

## Effective programs for long-term industry stability

**What it means** This goal recognizes the need for proactive financial risk management programming and disaster support in the absence of effective private sector tools when natural and market events occur that are beyond agri-business managers' control. Industry stability is desirable from a Ministry perspective as it helps agri-businesses recover from disaster events and facilitates overall industry growth.

The Ministry contributes to this goal by continuously improving appropriate programs such as the Canadian Agricultural Income Stabilization Program, Production Insurance and disaster recovery initiatives.

**Strategies**

6.1 Design and deliver production risk and income stabilization programs through the Agriculture Policy Framework Agreement.

6.2 Develop and deliver specific programs that increase industry competitiveness.

6.3 Develop programs, where appropriate, that respond to significant events that impact business sustainability.

| Performance Measures | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 6.a Percent of eligible seeded acres for major crop categories insured under Production Insurance | | | | |
| • Annual Crops | 64 | 64 | 64 | 64 |
| • Perennial Crops | 29 | 25 | 25 | 25 |
| 6.b Percent of Alberta farm cash receipts represented by Alberta participants in the Canadian Agricultural Income Stabilization Program | 76 | 70 – 75 | 70 – 75 | 70 – 75 |

## EXPENSE BY CORE BUSINESS

(thousands of dollars)

| | Comparable | | | | | |
|---|---|---|---|---|---|---|
| | 2005-06 Actual | 2006-07 Budget | 2006-07 Forecast | 2007-08 Estimate | 2008-09 Target | 2009-10 Target |
| Facilitate Sustainable Industry Growth | 276,440 | 257,653 | 261,366 | 251,287 | 256,765 | 257,067 |
| Support and Strengthen Rural Sustainability | 62,839 | 60,797 | 63,065 | 70,697 | 69,367 | 64,947 |
| Strengthen Business Risk Management | 759,729 | 722,231 | 779,263 | 754,740 | 731,130 | 737,172 |
| **MINISTRY EXPENSE** | 1,099,008 | 1,040,681 | 1,103,694 | 1,076,724 | 1,057,262 | 1,059,186 |

# MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

| | Comparable | | | | | |
|---|---|---|---|---|---|---|
| | 2005-06 Actual | 2006-07 Budget | 2006-07 Forecast | 2007-08 Estimate | 2008-09 Target | 2009-10 Target |
| **REVENUE** | | | | | | |
| Internal Government Transfers | 22,220 | 22,220 | 22,220 | 22,220 | 22,220 | 22,220 |
| Transfers from Government of Canada | 299,091 | 303,354 | 226,428 | 328,795 | 316,998 | 312,850 |
| Investment Income | 82,686 | 85,688 | 94,955 | 100,703 | 109,252 | 114,694 |
| Premiums, Fees and Licences | 142,719 | 125,046 | 134,124 | 181,935 | 168,840 | 173,857 |
| Other Revenue | 29,148 | 10,411 | 29,925 | 25,246 | 25,256 | 24,656 |
| **MINISTRY REVENUE** | 575,864 | 546,719 | 507,652 | 658,899 | 642,566 | 648,277 |
| **EXPENSE** | | | | | | |
| **Program** | | | | | | |
| Agriculture Income Support | 487,725 | 335,928 | 551,928 | 363,262 | 363,822 | 364,485 |
| Lending | 26,923 | 27,147 | 26,448 | 25,413 | 25,456 | 25,274 |
| Insurance | 255,599 | 374,282 | 215,354 | 378,313 | 354,934 | 360,321 |
| Planning and Competitiveness | 67,503 | 48,597 | 48,055 | 52,610 | 49,201 | 49,553 |
| Rural Services | 34,910 | 36,216 | 36,545 | 37,065 | 36,664 | 36,908 |
| Industry Development | 81,896 | 46,793 | 46,890 | 51,694 | 50,093 | 50,567 |
| Environment and Food Safety | 57,704 | 78,325 | 63,175 | 82,028 | 79,760 | 66,755 |
| Infrastructure Assistance | 29,441 | 29,000 | 52,048 | 17,355 | 22,400 | 29,000 |
| Ministry Support Services | 14,632 | 13,687 | 15,175 | 15,114 | 15,372 | 15,645 |
| Valuation Adjustments and Other Provisions | (2,174) | 2,359 | 2,359 | 2,745 | 1,868 | 1,837 |
| **Program Expense** | 1,054,159 | 992,334 | 1,057,977 | 1,025,599 | 999,570 | 1,000,345 |
| **Debt Servicing Costs** | | | | | | |
| Agriculture Financial Services Corporation | 44,849 | 48,347 | 45,717 | 51,125 | 57,692 | 58,841 |
| **MINISTRY EXPENSE** | 1,099,008 | 1,040,681 | 1,103,694 | 1,076,724 | 1,057,262 | 1,059,186 |
| Gain (Loss) on Disposal of Capital Assets | (21) | - | - | - | - | - |
| **NET OPERATING RESULT** | (523,165) | (493,962) | (596,042) | (417,825) | (414,696) | (410,909) |

# CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

| | Comparable | | | | | |
|---|---|---|---|---|---|---|
| | 2005-06 Actual | 2006-07 Budget | 2006-07 Forecast | 2007-08 Estimate | 2008-09 Target | 2009-10 Target |
| Ministry Revenue | 575,864 | 546,719 | 507,652 | 658,899 | 642,566 | 648,277 |
| *Inter-ministry consolidation adjustments* | (23,029) | (22,220) | (22,220) | (22,220) | (22,220) | (22,220) |
| **Consolidated Revenue** | 552,835 | 524,499 | 485,432 | 636,679 | 620,346 | 626,057 |
| Ministry Program Expense | 1,054,159 | 992,334 | 1,057,977 | 1,025,599 | 999,570 | 1,000,345 |
| *Inter-ministry consolidation adjustments* | (809) | - | - | - | - | - |
| **Consolidated Program Expense** | **1,053,350** | **992,334** | **1,057,977** | **1,025,599** | **999,570** | **1,000,345** |
| Ministry Debt Servicing Costs | 44,849 | 48,347 | 45,717 | 51,125 | 57,692 | 58,841 |
| **Consolidated Expense** | 1,098,199 | 1,040,681 | 1,103,694 | 1,076,724 | 1,057,262 | 1,059,186 |
| Gain (Loss) on Disposal of Capital Assets | (21) | - | - | - | - | - |
| **CONSOLIDATED NET OPERATING RESULT** | (545,385) | (516,182) | (618,262) | (440,045) | (436,916) | (433,129) |

# Children's Services

BUSINESS PLAN 2007-10

## ACCOUNTABILITY STATEMENT

The business plan for the three years commencing April 1, 2007 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as of March 26, 2007 with material economic or fiscal implications of which I am aware have been considered in preparing the business plan.

The Ministry's priorities outlined in the business plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this business plan.

Tarchuk

Janis Tarchuk, *Minister of Children's Services*
March 30, 2007

## THE MINISTRY

The Ministry of Children's Services consists of:

- *Department of Children's Services* – provides leadership to: (a) establish policies that promote the well-being of children, youth and families; (b) support the delivery of quality services focused on improving outcomes for children, youth and families; (c) promote greater capacity for community services that support children in reaching their potential; and (d) design business strategies that help the Ministry achieve its vision.

- *Child and Family Services Authorities* – help determine ministry-wide priorities and directions, deliver Ministry programs and services, and meet the local priorities and needs of children, families and communities.

The Ministry also includes the following:

- *Youth Secretariat* – advises the Minister on key issues facing youth and ways to address those issues.

- *Child and Youth Advocate* – represents the rights, interests and viewpoints of children and youth receiving child protection or family enhancement services under the *Child and Family Enhancement Act* or those who are being helped under the *Protection of Children Involved in Prostitution Act* and appoints legal representation for youth who require it under these Acts.
- *Social Care Facilities Review Committee* – a citizen panel with a legislated mandate to monitor provincially funded social care facilities and investigate complaints to ensure the best possible care.
- *Appeal Secretariat* – citizen appeal panels established in legislation to hear appeals of decisions under the *Child, Youth and Family Enhancement Act*, the *Family Support for Children with Disabilities Act* and the *Social Care Facilities Licensing Act*.
- *Alberta's Promise* – an initiative that encourages all sectors of the community to direct more resources to benefit children and youth. Alberta's Promise receives strategic advice from the Premier's Council, chaired by the Premier of Alberta, including 70 other businesses, foundations, agencies and community leaders from throughout Alberta.

The business plan also recognizes the critical role of our partners in delivering provincial programs and services. Through the Family and Community Support Services program, local municipalities and Métis Settlements are critical partners that work with the province to strengthen the capacity and self-reliance of communities to plan and deliver services to meet the preventive social services needs of children, youth and families. The Ministry enters into a range of contracts and agreements with agencies, Delegated First Nations Agencies and Aboriginal organizations to provide services at the community level. The Ministry also works with the Alberta Centre for Child, Family and Community Research to develop a strategic research plan. Other ministries, as well as municipal/provincial/territorial/federal governments are strategic partners.

## VISION

*Strong children, youth, families and communities.*

## MISSION

Working together to enhance the ability of families and communities to develop nurturing and safe environments for children, youth and families.

### KEY PROGRAM / INITIATIVE AREAS:

***Preventative supports for children, youth and families***

- Child Care
- Prevention of Family Violence and Bullying
- Family Support for Children with Disabilities
- Parenting Resources Initiative (Parent Link Centres and Home Visitation Programs)
- Youth In Transition
- Advancing Futures Bursary Program
- Fetal Alcohol Spectrum Disorder Initiative
- Family and Community Support Services

***Preserving families at risk***
***Protecting children and youth in need***

- Child Intervention Services (Child Protection and Family Enhancement)
- Foster Care Supports
- Protecting Children from Sexual Exploitation
- Appeal Secretariat
- Social Care Facilities Review Committee
- Child and Youth Advocate
- Women's Shelters

***Improving outcomes for Aboriginal children, youth, families and communities. Building resources for community based service delivery***

- Community Initiatives
- Youth Secretariat
- Child, Family and Community Research
- Alberta's Promise
- Community Incentive Initiative
- Youth Forums and Networks
- Delegated First Nations Agencies and Métis Community Initiatives
- Alberta Children and Youth Initiative

# LINK TO THE GOVERNMENT OF ALBERTA STRATEGIC BUSINESS PLAN

Services to Alberta's children are not only an important service to those in need: they are an investment in Alberta's social infrastructure and the human potential of the province. The Ministry's core businesses of Prevention, Preservation, Protection and Partnerships directly link to the Government of Alberta's Strategic Business Plan Goal 6 - *Albertans will be independent and our children will be well cared for*.

# SIGNIFICANT OPPORTUNITIES AND CHALLENGES

Alberta's strong economy and full labour force presents many opportunities and challenges for Alberta children and families. Ensuring the safety and development of strong children and families is an increasing challenge for the Ministry and its service providers in Alberta's growing and increasingly diverse environment.

**Impact of Prosperity**

A strong economy and employment prospects attract many new families to Alberta. Communities are increasingly challenged to provide the social infrastructure necessary to create strong supportive environments for children and families. Issues such as the lack of affordable housing, the lack of affordable child care spaces in growing communities, and difficulty attracting and retaining human resource workers directly affect children, youth and families, and the agencies that serve them. Growth in fields such as the oil industry is creating jobs where parents are often separated from their families for long periods of time, increasing the stress on families and communities. The Ministry is currently experiencing the pressures of increasing service demands by growing populations, and increasingly diverse and complex situations facing the children, youth and families the Ministry serves.

One example of the impact of increased housing costs is that many families are moving to rural communities where the cost of living can be less and housing may be more affordable but this is offset by the challenge of accessibility to many key services. Rural communities are faced with the challenge of inadequate resources to provide needed services in sparsely populated areas. Transportation to access services and attracting service providers to rural areas are significant challenges to the delivery of quality programs.

**Workforce Development**

The strong Alberta economy has increased labour challenges and opportunities for all Albertans. With labour participation rates flat, further increases in the rate to meet increasing demand will hinge on getting under-represented groups, including the Aboriginal population, into the labour market. The rising number of women in the labour force has been, for a long time, a significant source of labour supply for the Canadian economy. In addition to the number of women now entering the labour force, strong levels of interprovincial migration and international immigration have also boosted Alberta's labour supply. A key piece of the social infrastructure necessary to ensure Alberta has the workforce needed to meet the demands of a rapidly growing economy is child care. Working parents need access to quality, affordable child care options to fully participate in the workforce. Retaining qualified staff is a key indicator of quality in child care and other human service programs and services. Attracting and retaining qualified staff in an economy with many competing pressures poses serious challenges for communities as they struggle to maintain service capacity.

Youth who have been or are under the care of Children's Services, face significant challenges as they transition from intervention services to independent adulthood and then into the labour force. Aboriginal youth who make up a significant portion of the child intervention case load are among those who benefit from assistance during this transition. Providing adequate resources for youth to live independently is difficult because of low vacancy rates and high housing costs in much of Alberta.

### Family Violence and Protection of Children

Family violence and bullying are serious social issues that impact all Albertans. A strong link exists between child maltreatment and family violence. Children are also victims of homicide at the hands of family members; in particular, children under one year of age. Twenty seven per cent of all homicide victims under the age of 18 years are infants. November 2006 amendments to the *Protection Against Family Violence Act* recognize the impact of exposure to family violence on children.

Spousal homicides and the incidence of reported spousal violence continue to be a concern to Albertans. Between 1995 and 2004 Alberta had the second highest rate of spousal homicide in Canada. In 2005-06, 6,174 adults and 5,318 dependent children were admitted to the 33 contracted women's shelters across Alberta.

Approximately 1 in 10 children has bullied others and as many as 25 per cent of children in grades four to six have been bullied. Bullying, which occurs about every 25 minutes in the classroom and more frequently on the playground, usually stops within 10 seconds when peers intervene or do not support the bullying behaviours. New technology and cyber-bullying exacerbates this dynamic by providing more opportunities for bullying and shielding the identity of the bully.

### Aboriginal Children, Youth and Families

The *Child, Youth and Family Enhancement Act* stresses practice that leads to early permanency for children in care and successful transition to adulthood for youth. A challenge for the Ministry is Aboriginal permanency planning to ensure children have a culturally appropriate plan and are connected to their culture.

Services targeted to prevention and early intervention services on-reserve require additional funding to provide enhancement and support services. The federal government does not provide this funding to the Delegated First Nations on-reserve. In 2006, the federal department of Indian Affairs and Northern Development, Children's Services and First Nations agreed to work together to support Delegated First Nations Agencies in their efforts to comply with current provincial child intervention services legislation and to improve child and family services on-reserve.

Alberta First Nations have indicated they need to implement a culturally appropriate differential response approach to address the needs of children at risk and their families to ensure better outcomes for Aboriginal children.

### Children with Disabilities

Beyond significant population growth, a number of factors contribute to increased demand for specialized services to children with disabilities and their families. Recent advances in medical technology have improved the likelihood of survival for children born with complex health needs. There is increased incidence of disabilities due to ongoing improvements in the ability to screen and diagnose for disabilities, including at an earlier age, and due to an increasing rate of low birth weight babies and congenital anomalies at birth.

Children with disabilities and their families face many challenges, and support is required to provide an environment where children can develop to their potential. Research demonstrates that children with disabilities and their families benefit from family-centered supports and services. Children benefit through improved social, emotional, and behavioural skills; improved physical health; and reduced likelihood of exposure to maltreatment. Families benefit through improved parenting practices, family functioning, mental and physical health, and economic self-sufficiency. The effectiveness of supports and services increases when they begin early in the life of the child; are coordinated and readily accessible; involve families as partners; and are individualized to meet the priority needs of the child and the family.

### Child and Youth Sexual Exploitation

The nature and environment related to children and youth sexual exploitation continues to evolve and change. Technological advances have facilitated access to children by predators resulting in increasing incidents of child pornography, internet luring, and making child prostitution less visible. Research indicates that 52 per cent of Canadian teens have seen inappropriate content online, 34 per cent have been asked for personal information online and 10 per cent of teens admit to having inappropriate communication with an adult online.

**Fetal Alcohol Spectrum Disorder and Impacts of Substance Abuse**

Health Canada estimates that 9 in every 1,000 babies born in Canada have Fetal Alcohol Spectrum Disorder (FASD), which includes a range of birth defects and brain damage caused by prenatal exposure to alcohol. It is estimated that over a lifetime, each individual with FASD will need about $1 million to $1.5 million in special care and support services. A significant number of individuals in child protection, the justice system and persons with disabilities systems have FASD. The secondary impacts in terms of homelessness, unemployment, school drop out rate and mental health problems are also well known. The financial impact to government for FASD is high and expected to increase unless further action is taken.

The increasing incidence of crystal methamphetamine production labs and marijuana grow-ops in houses where children live pose serious risks to children. Children exposed to situations where drugs are being made and sold are victims of abuse and need to be protected. There are also potential risks to staff relating to working with families with substance abuse issues.

**Migration and Immigration**

Alberta continues to have the strongest interprovincial migration rates in Canada and is becoming home to an increasing number of immigrants from around the world. The integration of new families, both Canadian and international immigrants who arrive with no extended family supports, puts pressure on existing services and resources. Immigrant families frequently require specific, targeted services often in a language other than English. Challenges for immigrants include understanding Canadian family norms, legal rights of individuals and accessing services in the community. Increasing demand for services to this population is being experienced especially in Calgary, Edmonton and Fort McMurray.

Between January and December 2005, Alberta attracted a net total of over 51,000 interprovincial migrants. Over the next couple of years, Alberta expects to attract an average of 50,000 Canadians per year. Also in 2005, Alberta received a net total of 14,200 international immigrants, an increase of nearly 3,000 over 2004. Immigrants to Alberta were primarily destined to Calgary (58 per cent) and Edmonton (30.7 per cent) and 40 per cent of immigrants arrived in Alberta without English language skills.

## STRATEGIC PRIORITIES 2007-10

Through the Ministry's review of environmental factors, the strategic priorities described below have been identified. These are in addition to the important ongoing core activities of the Ministry. The Ministry will continue to implement strategies aimed at improving the continuum of services designed to produce better results for children, youth and families. The Ministry will ensure opportunities include a focus on producing better outcomes for Aboriginal children.

### GOVERNMENT PRIORITY – IMPROVE ALBERTANS' QUALITY OF LIFE

1. **Ensure parents have access to quality, affordable child care options**

   **Linkage: Goals 1 and 2**

   Children's Services will continue to implement the Five-Point Child Care Investment Plan to ensure parents have access to quality and affordable child care options. The Ministry has enhanced subsidies to make child care affordable for low and middle income families and to keep up with inflation, implement strategies to improve recruitment and retention of child care professionals, and increase the number of child care spaces. In addition, the Ministry will be introducing new Child Care legislation that will expand the range of child care options available to parents.

**2. Focus on improving outcomes for children in care or in need of specialized services, including Aboriginal children and children with disabilities**

**Linkage:**
**Goals 1, 2, 3 and 4**

Children's Services will fully implement the *Child, Youth and Family Enhancement Act* by delivering Child Intervention Services to ensure that children in care and families in need of support receive appropriate services. The Ministry will work to ensure that Aboriginal children remain connected to their culture, and will work with Delegated First Nations Agencies on permanency planning, streamlining adoption and private guardianship processes. The Ministry will implement processes for the Family Support for Children with Disabilities Program to enhance service quality. In addition, Children's Services will work with Delegated First Nations Agencies, contracted agencies and service providers to enhance accountability processes and on strategies to attract and retain staff.

Children's Services will provide leadership to the development of a provincial response to Fetal Alcohol Spectrum Disorder with a full range of integrated services. The new *Drug-endangered Children Act* will protect children exposed to an adult's drug activity by identifying them as abuse victims. A multi-disciplinary approach is being established among health professionals, police and child intervention caseworkers to protect children exposed to drugs including working with other ministries on implementation of the *Protection of Children Abusing Drugs Act*, and addressing the use and production of crystal methamphetamine.

## GOVERNMENT PRIORITY – PROVIDE SAFE AND SECURE COMMUNITIES

**3. Continue to implement Prevention of Family Violence and Bullying Initiative**

**Linkage:**
**Goals 1, 2, 3**

Children's Services will continue to work with other ministries to provide provincial leadership to implement the Prevention of Family Violence and Bullying Initiative, in order to develop and enhance a coordinated and collaborative response to reduce the impacts of this serious social issue. The Ministry will provide grants to communities through the Community Incentive Fund, enhance public awareness and education, and provide support for victims.

## GOVERNMENT PRIORITY – BUILD A STRONGER ALBERTA

**4. Improve collaborative partnerships and community capacity**

**Linkage:**
**Goals 1, 2, 3, 4 and 5**

Children's Services will continue to build collaborative partnerships with other ministries on initiatives such as Prevention of Family Violence and Bullying, Fetal Alcohol Spectrum Disorder, Integrated Crime Reduction Strategy and the Community Spirit Program. The Ministry will develop options to review and improve Alberta's social infrastructure, and engage in collaborative decision making as it relates to providing better outcomes for children, youth and families. Children's Services will work with other ministries and the Alberta Centre for Child, Family and Community Research to promote relevant research and information to support strategy and policy. Collaboration with communities will continue to be a cornerstone of service delivery practice, enhanced by using new technology such as video-conferencing to improve accessibility of services.

# CORE BUSINESSES, GOALS, STRATEGIES & PERFORMANCE MEASURES

## Core Business One: Promoting the development and well-being of children, youth and families

### GOAL ONE 1 Children and youth will have a healthy start in life and the supports they need to reach their potential

**What it means** The Ministry recognizes the importance that the first six years of a child's life play in terms of setting the foundations for children to learn, grow, and reach their potential. While parents have the primary responsibility for raising their children, government, communities, organizations, schools and businesses all have supporting roles to play in meeting the needs of children and youth.

Expected outcomes: Children and youth are physically, emotionally, socially, intellectually and spiritually healthy. Children and youth meet individual developmental milestones.

**Strategies**

1.1 Lead the implementation of the cross-ministry Prevention of Family Violence and Bullying Initiative action plan to support individuals, families, communities and governments to work together towards an Alberta free of family violence and bullying.

1.2 Lead and build on Alberta's Bullying Prevention Strategy in collaboration with cross-ministry partners and community stakeholders.

1.3 Enhance cross-sector capacity to respond to the needs of children and youth with special and complex needs and their families by improving coordination and access to services and supports.

1.4 Continue to support youth in transition (ages 13 to 22) by enhancing access to mentoring opportunities through coordination of services and supports to youth.

1.5 In collaboration with other ministries and government agencies, develop guidelines and resources to implement strategies aimed at preventing Fetal Alcohol Spectrum Disorder and substance abuse.

1.6 Work with municipalities and Métis Settlements to assess the outcomes of Family and Community Support Services programs and services delivered to children, youth and families and implement the approved recommendations from the Family and Community Support Services program review.

1.7 Introduce a continuous improvement process for ongoing implementation of the Family Support for Children with Disabilities legislation.

1.8 Enhance parental involvement in the ongoing implementation of the Family Support for Children with Disabilities legislation.

1.9 Enhance child care, including through the accreditation process and funding for staffing supports, to ensure parents and families have access to quality child care that gives their children the best possible start in life and the support they need to reach their potential.

1.10 Continue to implement the Parent Link Centre initiative including a service assessment prior to further expansion.

1.11 Implement a new *Child Care Licensing Act*, to promote quality of care in licensed facilities.

1.12 Work with the Ministry of Education to implement pilot strategies that focus on improving outcomes, including school performance and high school completion for children in care.

1.13 Continue to improve access to Advancing Futures Bursary program to help increase the educational attainment of youth in care.

| Performance Measures | Last Actual (Year) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 1.a Percentage of expenditures in the children/youth project and service category of Family and Community Support Services[1] | 29.1% (2005-06) | 29% | 29% | 29% |
| 1.b Percentage of licensed day care centres and contracted family day home agencies that are accredited[2] | 16.5% (2005-06) | 42% | 53% | 64% |
| 1.c Percentage of families accessing the Family Support for Children with Disabilities Program that indicate the services provided had a positive impact on their child[3] | 86.7% (2006-07) | n/a | 87% | n/a |

**Notes:**

1 The Ministry and local governments jointly fund preventative social services for Albertans through Family and Community Support Services, with one component being children and youth. This measure provides an indicator of the commitment to promote the well being of children, youth and families through Family and Community Support Services.

2 Accreditation standards of excellence promote each child's early growth and development, improving outcomes for children, families, staff and community. Accreditation is voluntary.

3 This measure assesses the effectiveness of the Family Support for Children with Disabilities Program in making a positive impact on the children it serves.

n/a Biennial Survey

**Sources:**

1.a Annual Family and Community Support Services Program Reports
1.b Child Care Information System
1.c Family Support for Children with Disabilities Survey

## Core Business Two: Keeping children, youth and families safe and protected

GOAL TWO 2

### Families will be safe, healthy, and able to promote children's development

**What it means** The Ministry works with all its partners to promote and support community-based strategies and resources that help families be safe, healthy, resilient and self-reliant by overcoming at-risk circumstances and ensuring children reside in permanent, nurturing homes.

Expected Outcomes: Children, youth and families overcome at-risk circumstances. Children, youth and families are safe, healthy, resilient and self-reliant.

**Strategies**

2.1 Implement and strengthen the coordinated provincial response to family violence and bullying with culturally sensitive and accessible community based services and supports to increase the safety and healthy development of children and families in family violence and bullying situations, including emergency shelter for victims of family violence.

2.2 Continue to implement and monitor the government approved amendments to the *Protection Against Family Violence Act* and implement approved recommendations from the Women's Emergency Shelter Review.

2.3 Support increased collaboration between Child and Family Services Authorities and the Family and Community Support Services Program.

2.4 Collaborate with other ministries and government agencies, to improve supports for children, youth and families impacted by substance abuse including those affected by Fetal Alcohol Spectrum Disorder.

2.5 Continue to enhance foster care and kinship care through improved recruitment, training and supports so that children, who cannot remain in their parental homes, receive quality care.

| **Performance Measures** | **Last Actual (Year)** | **Target 2007-08** | **Target 2008-09** | **Target 2009-10** |
|---|---|---|---|---|
| 2.a Percentage of adults staying at government-funded women's emergency shelters who report that they are better able to keep themselves and the children under their care safer from abuse[1] | 95.5%<br>(2005-06) | 95% | 95% | 95% |
| 2.b Percentage of families accessing Ministry programs that indicate positive impacts for their children. Ministry programs surveyed are[2]: | | | | |
| • Foster Care | 84.2% | n/a | 90% | n/a |
| • Adoption | 81.4% | n/a | 90% | n/a |
| • Child Care Subsidy | 94.7%<br>(2004-05) | n/a | 95% | n/a |

**Notes:**

1 Women's emergency shelter services are crucial elements in the prevention of family violence. This measure is about effectiveness of government-funded women's emergency shelter services to support women having taken short-term (21-day) refuge from family violence in their efforts to reduce future risks of abuse.

2 One key indicator for how programs and services are performing involves feedback from the users of those programs and services. This measure involves client surveys of key Ministry programs where clients can provide feedback on their satisfaction with services received and their perception of the program's impact on their family.

n/a Biennial Survey

**Sources:**

2.a Women's Emergency Shelter Outcomes Exit Survey
2.b Multiple client surveys

GOAL THREE 3

## Children in need will be protected and supported by permanent, nurturing relationships

**What it means** Every child deserves a home where they are safe and nurtured. The Ministry intervenes to support families in providing children with environments that are safe and nurturing and free from abuse and neglect. When circumstances require children to be taken into care, the goal is to reunite the children with their families or to place the children in other nurturing, permanent homes as soon as possible.

Expected Outcomes: Children and youth in need are protected from further abuse and neglect. Children and youth in care are placed in secure and stable environments that allow for the development of life-long relationships and connection to family, culture and community.

**Strategies**

3.1 Deliver Child Intervention Services by continuing to implement the new *Child, Youth and Family Enhancement Act* by developing a Casework Practice Model which will support the caseworker's ability to improve the safety and well-being of children, involve families and children in decision making, assure quality services to promote children's development, shorten the time children spend in government care, and unite children with their families or place them in other permanent, nurturing homes.

3.2 Continue to support and evaluate the implementation of Drug-endangered Children legislation.

3.3 Continue to develop and maintain quality assurance mechanisms including the Appeal Secretariat and the Social Care Facilities Review Committee.

3.4 Further support the implementation and evaluation of the "Speaking For Themselves" pilot project to develop processes to provide children and youth with legal representation in high conflict custody and access cases.

3.5 Continue to refine and implement prevention and treatment strategies for high risk youth and youth involved in prostitution and work with stakeholders to develop and enhance programs to prevent the sexual exploitation of children and youth through prostitution, internet luring and child pornography.

| **Performance Measures** | **Last Actual (2005-06)** | **Target 2007-08** | **Target 2008-09** | **Target 2009-10** |
|---|---|---|---|---|
| 3.a Percentage of children who suffer injury that results in hospitalization or death while receiving protective services[1] | 0.1% | 0% | 0% | 0% |
| 3.b Percentage of children who experience another incident of child maltreatment within twelve months of a previously confirmed incident of child maltreatment[2] | 23.8% | 22% | 21% | 20% |
| 3.c Number of children, in the permanent care of the Director, who are adopted[3] | 324 | 356 | 374 | 393 |
| 3.d Number of children, in the permanent care of the Director, for whom Private Guardianship Orders are granted[3] | 168 | 185 | 194 | 204 |

**Notes:**

[1] 0.1% for 2005-06 represents a total of 19 children, 6 of whom died. The causes included suicides (3), accidents (2) and action by other (1). Protection from serious harm is a key priority for all protective services. This measure provides an indication of Children's Services' performance in keeping children in protective services safe from harm.

The Ministry continues to strive to reach the target of 0%. While the target was not met in 2004-05 and 2005-06, the performance results are lower than those in the general child population in Alberta (when compared to statistics gathered from the Ministry of Health and Wellness: 0.464% for 2004-05 and 0.482% for 2005-06).

[2] A goal of Child Intervention Services is to prevent future maltreatment of children who receive these services. This measure is designed to assess the performance of the Ministry in its effort to reduce the recurrence of maltreatment.
Maltreatment includes a wide range of situations: from where parents are unable to provide the necessities of life to cases of physical abuse and emotional injury, which includes exposure to domestic violence.

[3] Ensuring children are supported by permanent, nurturing relationships is a key objective of the Ministry. Performance Measures 3.c and 3.d are considered as twin-indicators of its performance on permanency placement of children in permanent care.

**Source**: Child Youth Information Module

## Core Business Three: Promoting healthy communities for children, youth and families

GOAL FOUR 4

### The well-being and self-reliance of Aboriginal children, youth, families and communities will be promoted, supported and comparable to that of other Albertans

**What it means** Aboriginal people have the desire and commitment to improve outcomes for and the success of Alberta's children, families and communities. The Ministry works with First Nations and Métis peoples to build on the strengths of Aboriginal communities in developing the governance, accountability and service delivery capacity to promote the care of their children, youth, and families.

Expected Outcomes: Aboriginal communities have increased support to help meet the needs of their children, youth and families. There are a reduced number of Aboriginal children represented in the child intervention caseload. Aboriginal children, youth and families receive culturally appropriate services.

**Strategies**

4.1 Enhance accountability reporting on program and service delivery through Delegated First Nations Agencies.

4.2 Continue to work with Métis Settlements, Region 10 Child and Family Service Authority and Métis Nation of Alberta Association to better meet the needs of Métis children, youth and families.

4.3 Implement activities to promote permanency prescribed by the "Permanency Planning for Aboriginal Children Report".

4.4 Continue the joint table meetings with Child and Family Service Authorities and Delegated First Nations Agencies to address common and ongoing issues related to meeting the needs of Aboriginal children, youth and families.

| Performance Measures | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 4.a Percentage of Aboriginal children who suffer injury that results in hospitalization or death while receiving protective services[1] | 0.2% | 0% | 0% | 0% |
| 4.b Percentage of Aboriginal children in foster care/kinship care that are placed with Aboriginal families[2] | 35.8% | 40% | 41% | 42% |

**Notes:**

1 0.2% for 2005-06 represents 14 Aboriginal children, 4 of whom died. The causes of death were suicides (3) and accidents (1). Protection from serious harm is a key priority for all protective services. This measure provides an indication of Children's Services' performance in keeping Aboriginal children safe from harm.

The Ministry continues to strive to reach the target of 0%. While the target was not met in 2004-05 and 2005-06, the performance results are however, lower than the rate in the general child population in Alberta (when compared to statistics gathered from the Ministry of Health and Wellness: 0.464% for 2004-05 and 0.482% for 2005-06).

2 When children and youth must be removed from their homes, efforts should be made to place them in families that are geographically and culturally appropriate and socially familiar and nurturing to the child. Focusing on Aboriginal children in foster care/kinship care, this measure is an effort to show how the Ministry is performing in its efforts to achieve appropriate cultural placement matching thereby contributing to reconnecting Aboriginal children to their cultural roots and environment.

**Source**: Child Youth Information Module

GOAL FIVE 5

## Communities will have the capacity for shared planning and delivery of services that promote the well-being of children, youth and families

**What it means** Children must have safe places to learn, grow and thrive outside the home, and a strong connection to family and community. The Ministry works in partnership with Albertans to build on the unique capacity of communities to deliver the right services for children, youth and families, in the right place, and at the right time.

Expected Outcomes: Communities are responsive to issues/needs faced by children, youth and families. Children, youth and families participate in decisions that affect them.

**Strategies**

5.1 Strengthen the provision of strategic leadership to cross-ministry work that supports children and youth in becoming caring, contributing and self-reliant citizens.

5.2 Develop and enhance the capacity of Child and Family Services Authority Boards to effectively govern the regional authorities.

5.3 Promote policy relevant research and effective practices to improve the outcomes for children, youth, families and communities through collaboration with cross-jurisdictional partners, national partners, universities, other ministries, the community and the Alberta Centre for Child, Family and Community Research.

5.4 Support the continuing operations of Alberta's Promise, a public-private partnership dedicated to finding unrealized resources leading to new and better ways of working together to give children the opportunity to lead happy, healthy and successful lives.

5.5 Support community engagement strategies to enhance collaborative, coordinated responses to family violence and bullying, including through the Community Incentive Fund and the Aboriginal Engagement Strategy.

5.6 Facilitate, promote and recognize youth engagement by supporting youth forums, youth networks and youth consultations.

5.7 Support the work of the Youth Secretariat and Youth Advisory Panel to identify and address issues facing youth.

5.8 Build on the World Conference on Prevention of Family Violence report recommendations and develop a research partnership to provide an evidence base to inform policy and program development.

| Performance Measures | Last Actual (Year) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 5.a Percentage of community stakeholders reporting an increase in the community's ability to meet the needs of children, youth and families[1] | 60.8%<br>(2004-05) | n/a | 65% | n/a |
| 5.b Percentage of children and youth who received family enhancement services and afterwards did not require protective services[2] | 82.1%<br>(2005-06) | 84% | 85% | 85% |

**Notes:**

1 Involvement of community stakeholders at the local level improves the delivery of services to children and better enables response to specific community needs. This measure involves a survey conducted with a comprehensive listing of community stakeholders provided by the Child and Family Services Authorities. As a result of an internal review, this measure will be discontinued. Work is underway to develop a replacement measure based on departmental and regional input addressing Goal 5.

**Notes (continued):**

2 This measure is about the effectiveness of the family enhancement services - a child intervention delivery approach that engages families with community based services to resolve issues before they escalate to a level that requires protective services.

n/a Biennial Survey

**Sources:**

5.a Community Partners Survey
5.b Child Youth Information Module

## MINISTRY-WIDE CORPORATE OBJECTIVES:

The Ministry-wide corporate objectives support goal achievement across all three core businesses. Program Quality and Standards and Community Strategy and Support focus on policy and program development to support community based program delivery and contribute to children and youth in reaching their potential. Ministry Support Services provides support service to all areas of the ministry in the matters of: planning, reporting, measurement, human resource and financial management, information management and technology, legal services and intergovernmental initiatives. Children's Services corporate objectives are:

I. Strengthen business planning and results reporting, to support decision making and accountability, with an increased emphasis on longer-term strategic planning and implementation of a comprehensive performance measurement framework.
II. Develop and coordinate Ministry human resources planning to ensure there is organization capacity to meet service delivery requirements, and providing the tools/support/resources to enhance organization effectiveness including health and safety.
III. Working in collaboration with Child and Family Services Authorities and Department staff, lead the development, communication and implementation of processes to improve business capacity in support of strategic requirements of the Ministry.
IV. Develop and implement leading edge strategic financial and accounting policies and practices, re-engineer budget planning, forecasting and reporting, and implement internal controls that enhance accountability, decision making and use of financial resources, including transparency of Departmental grants.
V. Develop and implement information technology strategies that support greater integration, the use of technology in day-to-day business processes and take advantage of the strategic value of information.
VI. Develop strategies and capacity to support the Ministry's requirement for legal services, to identify legal risks and respond to legal issues, legislative needs and legislative development.
VII. Provide leadership on international, national and interprovincial initiatives to promote the safety, well-being and development of children, youth and families.

## EXPENSE BY CORE BUSINESS

(thousands of dollars)

| | Comparable | | | | | |
|---|---|---|---|---|---|---|
| | 2005-06 Actual | 2006-07 Budget | 2006-07 Forecast | 2007-08 Estimate | 2008-09 Target | 2009-10 Target |
| Promoting the development and well-being of children, youth and families | 308,667 | 392,932 | 367,375 | 403,587 | 410,889 | 415,451 |
| Keeping children, youth and families safe and protected | 487,436 | 506,390 | 517,425 | 549,027 | 557,183 | 561,444 |
| Promoting healthy communities for children, youth and families | 14,640 | 19,282 | 19,304 | 18,991 | 18,981 | 19,003 |
| **MINISTRY EXPENSE** | 810,743 | 918,604 | 904,104 | 971,605 | 987,053 | 995,898 |

# MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

| | Comparable | | | | | |
|---|---|---|---|---|---|---|
| | 2005-06 Actual | 2006-07 Budget | 2006-07 Forecast | 2007-08 Estimate | 2008-09 Target | 2009-10 Target |
| **REVENUE** | | | | | | |
| Internal Government Transfers | 34,000 | 49,500 | 49,500 | 55,500 | 55,500 | 55,500 |
| Transfers from Government of Canada | 263,296 | 277,827 | 235,581 | 314,950 | 316,865 | 326,244 |
| Other Revenue | 12,354 | 9,209 | 9,209 | 9,275 | 9,341 | 9,341 |
| **MINISTRY REVENUE** | 309,650 | 336,536 | 294,290 | 379,725 | 381,706 | 391,085 |
| **EXPENSE** | | | | | | |
| **Program** | | | | | | |
| **Promoting the development and well-being of children, youth and families:** | | | | | | |
| Child Care | 78,281 | 146,985 | 118,087 | 134,036 | 135,436 | 138,136 |
| Family Support for Children with Disabilities | 87,647 | 91,609 | 95,120 | 101,768 | 105,131 | 106,184 |
| Family and Community Support Services | 66,135 | 68,232 | 68,232 | 71,161 | 73,361 | 73,361 |
| Prevention of Family Violence and Bullying | 29,560 | 32,535 | 33,645 | 36,203 | 36,245 | 36,287 |
| Parenting Resources Initiative | 15,613 | 17,087 | 17,087 | 18,094 | 18,094 | 18,094 |
| Fetal Alcohol Spectrum Disorder Initiatives | 4,738 | 5,551 | 5,551 | 9,549 | 9,556 | 9,563 |
| Youth in Transition | 4,888 | 5,356 | 5,356 | 6,000 | 6,012 | 6,024 |
| **Keeping children, youth and families safe and protected:** | | | | | | |
| Child Intervention Services | 314,593 | 331,383 | 335,619 | 356,623 | 361,190 | 364,307 |
| Foster Care Support | 129,436 | 130,900 | 136,441 | 143,874 | 147,031 | 147,117 |
| Protecting Children from Sexual Exploitation | 5,391 | 6,200 | 6,200 | 6,203 | 6,203 | 6,203 |
| Child and Youth Advocate | 3,583 | 4,944 | 4,944 | 5,901 | 6,073 | 6,245 |
| **Promoting healthy communities for children, youth and families:** | | | | | | |
| Community Initiatives | 10,692 | 14,352 | 14,352 | 14,187 | 14,187 | 14,187 |
| Child and Family Research | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 |
| Alberta's Promise | 914 | 1,675 | 1,675 | 1,544 | 1,544 | 1,544 |
| **Support Services:** | | | | | | |
| Ministry Support | 14,354 | 15,088 | 15,088 | 16,706 | 17,189 | 17,600 |
| Program Support | 37,263 | 41,907 | 41,907 | 43,456 | 42,701 | 43,946 |
| Amortization of Capital Assets | 1,627 | 1,300 | 1,300 | 2,800 | 3,600 | 3,600 |
| Valuation Adjustments and Other Provisions | 4,028 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 |
| **MINISTRY EXPENSE** | 810,743 | 918,604 | 904,104 | 971,605 | 987,053 | 995,898 |
| Gain (Loss) on Disposal of Capital Assets | - | - | - | - | - | - |
| **NET OPERATING RESULT** | (501,093) | (582,068) | (609,814) | (591,880) | (605,347) | (604,813) |

# CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

| | Comparable | | | | | |
|---|---|---|---|---|---|---|
| | 2005-06 Actual | 2006-07 Budget | 2006-07 Forecast | 2007-08 Estimate | 2008-09 Target | 2009-10 Target |
| Ministry Revenue | 309,650 | 336,536 | 294,290 | 379,725 | 381,706 | 391,085 |
| *Inter-ministry consolidation adjustments* | (34,000) | (49,500) | (49,500) | (55,500) | (55,500) | (55,500) |
| **Consolidated Revenue** | 275,650 | 287,036 | 244,790 | 324,225 | 326,206 | 335,585 |
| Ministry Expense | 810,743 | 918,604 | 904,104 | 971,605 | 987,053 | 995,898 |
| *Inter-ministry consolidation adjustments* | - | - | - | - | - | - |
| **Consolidated Expense** | **810,743** | **918,604** | **904,104** | **971,605** | **987,053** | **995,898** |
| Gain (Loss) on Disposal of Capital Assets | - | - | - | - | - | - |
| **CONSOLIDATED NET OPERATING RESULT** | (535,093) | (631,568) | (659,314) | (647,380) | (660,847) | (660,313) |

# Education

## BUSINESS PLAN 2007-10

## ACCOUNTABILITY STATEMENT

The business plan for the three years commencing April 1, 2007 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as of March 26, 2007 with material economic or fiscal implications of which I am aware have been considered in preparing the business plan.

The Ministry's priorities outlined in the business plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this business plan.

Ron Liepert

Ron Liepert, *Minister of Education*
March 29, 2007

## THE MINISTRY

The Ministry of Education consists of the Department of Education and the Alberta School Foundation Fund. In collaboration with students, parents and school authorities, the Ministry of Education strives to ensure opportunities for Alberta children and youth to develop foundation skills so they become contributing members of society. This 2007-10 business plan identifies how the Ministry plans to work over the next three years to enhance learning opportunities for Alberta's young people.

The Ministry of Education provides funding, assessment services, teacher certification, program standards and implementation support for the basic education system.

The Ministry of Education is defined through its vision, mission, values and principles. The Ministry's vision is its view of the future. The mission describes the Ministry's purpose and reason for existence. The Alberta Public Service values demonstrate the beliefs or traits that guide Ministry actions, and the principles identify the Ministry's method of operating.

## VISION

*The best Kindergarten to Grade 12 education system in the world.*

## MISSION

The Ministry of Education, through its leadership and work with stakeholders, ensures that students attain the knowledge and skills required for lifelong learning, work and citizenship.

## ALBERTA PUBLIC SERVICE VALUES

| | |
|---|---|
| **Respect** | We foster an environment in which each individual is valued and heard. |
| **Accountability** | We are responsible for our actions and for contributing to the effectiveness of the public service. |
| **Integrity** | We behave ethically and are open, honest and fair. |
| **Excellence** | We use innovation and continuous improvement to achieve excellence. |

## PRINCIPLES

| | |
|---|---|
| **Student Centred** | The highest priority of the education system is the success of the student. |
| **Accessible** | Every student in Alberta has the right of access to a quality basic education consistent with the student's needs and abilities. |
| **Collaborative** | Kindergarten to Grade 12 education, which provides the foundation for lifelong learning, best occurs when partners and stakeholders work together to provide a holistic approach and a supportive environment. |
| **Accountable** | All those involved in the education system are accountable to Albertans for quality results, system sustainability and fiscal responsibility. |
| **Responsive** | The education system is flexible, anticipates student needs and provides opportunities for parent and student choice. |
| **Innovative** | The education system demonstrates leading-edge innovation for improved results. |
| **Equitable** | All students have equitable access to quality learning opportunities. |

## LINK TO THE GOVERNMENT OF ALBERTA STRATEGIC BUSINESS PLAN

The alignment of the Ministry of Education's three-year business plan with the Government of Alberta's Strategic Business Plan ensures that the Ministry is contributing toward achieving the overall direction of government.

### Government of Alberta Three-Year Business Plan

The Ministry of Education ensures that its business plan is directly aligned with and supports the following goals of the 2007-10 Government of Alberta Business Plan:

- Goal 2: Albertans will be well prepared for lifelong learning. Quality basic education enables children and youth to develop into responsible, caring, creative, self-reliant and contributing members of society. The Kindergarten to Grade 12 education system helps them develop the skills they need to achieve their aspirations and maximize their potential.

- Goal 4: Alberta will have a financially stable, open and accountable government and maintain its strong position nationally and internationally. Debt servicing costs incurred in support of Alberta School Foundation Fund payments to school boards ensure the financial stability of the Kindergarten to Grade 12 education system.

## SIGNIFICANT OPPORTUNITIES AND CHALLENGES

The following environmental factors have been identified as having significant potential to influence the Ministry of Education's direction. The Ministry has considered these factors in the context of identifying strategic priorities and strategies that will ensure high quality learning opportunities, excellent student outcomes and Ministry support for continuous improvements to the education system.

Strengthening our high quality education system goes hand in hand with addressing values and increasing expectations of Albertans. Changing demographics and economic growth are affecting how and where students learn. Technology holds both possibilities and complexities, and our global environment is interdependent and is impacting the education system. Each of these factors contributes to opportunities for the system to be responsive, flexible, adaptable and innovative.

**Strengthening a High Quality Education System**

Alberta's education system is recognized nationally and internationally as one of the best in the world. Every year, members of the international education community visit the province to study Alberta's education system and the reason our students consistently rank at the top in national and international testing. The challenge for Alberta is to work toward continuous improvement, finding ways to strengthen the education system at all levels, including school, school jurisdiction and department. All partners and stakeholders share this responsibility, helping to balance competing fiscal, human resource and policy priorities with rising public demand for choice, flexibility and adaptability.

**Public Values and Increasing Expectations**

Albertans value a strong education system that supports every student, instills positive values and promotes diversity and respect. Increasingly, the public expects Alberta to have an education system that responds to diverse needs and provides access to optimum learning environments that include choice and opportunities for success for all students throughout their school years. The public also expects an education system that is sustainable, fiscally responsible and accountable for results; is continuously improving; and positions students to take advantage of a robust economy. Albertans also recognize that a world-class education does not come about by accident. Everyone, from parents to students, teachers and administrators, government and the community, has an important and cooperative role to play in building and maintaining a strong education system.

**Changing Demographics and Economics**

Alberta's changing demographics, continuing urbanization and economic growth are having an impact on the province's education system. The birthrate in Alberta is increasing and the economy is attracting individuals and families from outside the province, with many settling in urban areas. Student population rates are expected to rise, although not all jurisdictions will be equally impacted. First Nations, Métis and Inuit student populations are growing significantly. These demographic shifts as well as others, such as an aging population, are generating competition for public resources. In addition, the province's strong economy has the potential to attract youth into the workforce and to impact high school completion rates.

**Influences of Technology**

Increasingly, technology plays a central role in education, enabling new approaches to teaching and learning as well as increasing the capacity to support student learning, teacher development, and administrative efficiencies. Students must be prepared to understand, use and apply technology in effective, efficient and ethical ways. Sound instructional approaches, coupled with the appropriate use of technology, will help students to acquire skills to be successful in a knowledge-based society. Strong leadership and wise decision-making at both the provincial and local levels is necessary to realize opportunities for using technology effectively in education. Enabling students and teachers to access current technology must be a consideration when determining school infrastructure needs.

**Impacts of Globalization**

The dynamic global environment and its increasing complexity present unique opportunities and challenges for Albertans. Students must acquire the knowledge, skills and attitudes that enable them to participate, innovate and take advantage of the economic and cultural opportunities that globalization provides. Alberta's education programs, through curriculum and learning resources, must keep pace with this global environment. High school completion and the transition to post-secondary studies are important contributors to success in the workforce. The education system must be committed to being globally competitive while retaining Alberta's values and priorities.

## STRATEGIC PRIORITIES 2007-10

Through the Ministry's review of external and internal challenges, the strategic priorities described below have been identified. These are in addition to the important ongoing core activities of the Ministry.

### GOVERNMENT PRIORITY – BUILD A STRONGER ALBERTA

1. **Success for All Students**

**Linkage: Goals 1 and 2**

The education system in Alberta today includes a rich and diverse student population. The learning environment must acknowledge students' varied backgrounds and needs and provide access to quality programs for all students. The Ministry will continue to provide an excellent centralized curriculum and support the effective practices of highly skilled teachers and administrators to ensure students achieve success. The education system will provide flexible programs for students with special needs; programs in different languages; options for various learning pathways, including career and technology studies courses; and effective use of technology to contribute to successful student learning.

2. **Access to Early Learning Opportunities**

**Linkage: Goals 1 and 2**

One of Education's strategic priorities, as set out in the Minister's mandate letter, is to explore options to provide children with access to early learning opportunities. The learning that occurs in the first few years of a child's life has a profound influence on his or her success in school and in life in general. A good start in life and in school provides lasting benefits for every child.

3. **Improve High School Completion Rates**

**Linkage: Goals 1 and 2**

As identified in the Minister's mandate letter, improving high school completion rates is a strategic priority for Education. Recognizing that completing high school has far-reaching benefits both for individuals and for society as a whole, the Ministry will work with the public, government partners and stakeholders to develop a strategy focused on this area.

4. **Address the Teachers' Unfunded Pension Liability**

   **Linkage: Goal 3**

   The Ministry of Education will initiate negotiations on options for a reasonable long-term solution to the teachers' unfunded pension liability. Government and teachers share responsibility for the unfunded liability of the Teachers' Pension Plan.

5. **Support the Healthy Development of Children and Youth**

   **Linkage: Goals 1 and 3**

   The Ministry of Education has made it a priority to develop collaborative health, social and learning programs and services that ensure children and youth will be well cared for, safe, healthy and successful at learning. This includes using a multifaceted approach to student health that provides quality learning experiences for students in school while maintaining connections with the home and community, as well as initiatives for the prevention of bullying.

6. **First Nations, Métis and Inuit Student Success**

   **Linkage: Goals 1, 2 and 3**

   A major priority for Education is to improve the educational attainment of First Nations, Métis and Inuit students in provincial schools. The Ministry will continue to work with students, parents, communities, government partners and stakeholders to provide meaningful educational opportunities for students through ongoing implementation of the First Nations, Métis and Inuit Education Policy Framework.

7. **Enhancing Relationships**

   **Linkage: Goal 3**

   A key focus of Education is to sustain and enhance relationships with the public, stakeholders and government partners to ensure that the education system has the capacity to remain adaptable, innovative and responsive to the needs of Alberta students. In addition, the Ministry places high value on strengthening intergovernmental relationships locally, nationally and internationally.

### GOVERNMENT PRIORITY – MANAGE GROWTH PRESSURES

8. **Schools Where Students Live and Learn**

   **Linkage: Goal 3**

   The Government of Alberta is committed to managing growth pressures resulting from the province's thriving economy. For the Ministry of Education, that means working in partnership with Infrastructure and Transportation to assess alternative financing strategies for school construction to ensure schools are available where students live and learn. It also means exploring innovative and creative solutions to school infrastructure to ensure students are educated in safe and well-maintained facilities.

## CORE BUSINESS, GOALS, STRATEGIES & PERFORMANCE MEASURES

The Ministry of Education has identified one core business that is an ongoing key responsibility. The core business includes three goals with specific outcomes that describe the end results the Ministry wants to achieve in fulfilling its mission. The Ministry also has identified strategies for 2007-10 that support the Ministry goals and the Government of Alberta Strategic Business Plan.

Performance measures indicate the degree of Ministry success in achieving its goals and outcomes. In assessing progress, targets are considered met if the result is within five per cent of the target value, and targets are considered exceeded if the result is more than five per cent above the target value (except for provincial achievement tests).

## Core Business: Lead and Support the Kindergarten to Grade 12 Education System So That All Students Are Successful at Learning

### GOAL ONE 1 High quality learning opportunities for all

**What it means** The Ministry of Education strives to provide high quality learning opportunities for Kindergarten to Grade 12 students by:

- Setting policies and standards for program development,
- Providing support for program implementation,
- Enhancing programs to meet the needs of all students, and
- Providing funding for the education system.

High quality learning opportunities for all includes increased access to and participation in educational programs and barrier-free learning pathways to enable increased levels of educational attainment. The Ministry will continue to implement strategies that help in achieving this goal. The following have been identified as Goal 1 outcomes.

- The education system meets the needs of all Kindergarten to Grade 12 students, society and the economy.
- Children and youth at risk have their needs addressed through effective programs and supports.
- Schools provide a safe and caring environment.
- Students complete programs.

**Strategies**

1.1 Work with stakeholders to develop and implement province-wide strategies, actions and community initiatives that will increase Alberta's five-year high school completion rate.

1.2 Support school authorities in implementing the second languages initiative.

1.3 Work with Health and Wellness to support implementation of wellness initiatives.

1.4 Support the implementation of new and revised English and French programs of study in mathematics, science and social studies.

1.5 Develop new, and revise existing, career and technology studies curricula.

1.6 Develop an action plan for the revision of the Kindergarten to Grade 12 fine arts program.

1.7 Continue to foster a safe and caring school environment through:

- bullying prevention strategies,
- effective behavioural supports, and
- enhancing communications on safe and caring schools activities.

1.8 Implement shared-ministry strategies to enhance opportunities for Kindergarten to Grade 12 students to explore career options and to enable seamless transitions within school and to further study or work.

1.9 Work with education stakeholders and other ministries to implement strategies for sustaining programs offered to students in small and rural schools.

1.10 Develop a framework for a coordinated approach to distributed learning in Alberta.

1.11 Enhance the use of current and emerging technologies to increase program choice and access for students, particularly in rural communities.

| Performance Measures | Last Actual (year) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 1.a Student, parent, teacher, school board member and public satisfaction with the overall quality of basic education | 85%<br>(2005-06) | 85% | 85% | 85% |
| 1.b Student, parent, teacher, school board member and public satisfaction that students are receiving a solid grounding in language arts, mathematics, science and social studies | 84%<br>(2005-06) | 84% | 84% | 84% |
| 1.c Student, parent, teacher and school board member satisfaction with the opportunity of students to receive a broad program of studies | 79%<br>(2005-06) | 79% | 79% | 79% |
| 1.d Student, parent, teacher and school board member agreement that students are safe at school, are learning the importance of caring for others, are learning respect for others and are treated fairly in school | 92%<br>(2005-06) | 92% | 92% | 92% |
| 1.e Annual dropout rate of students aged 14-18 | 4.9%<br>(2004-05) | 4.9% | 4.9% | 4.8% |
| 1.f High school completion rate of students within five years of entering Grade 10 | 77.4%<br>(2004-05) | 78% | 79% | 80% |

**Performance Measure Being Developed**

- Employer satisfaction with the skills and quality of work of high school graduates, with a last actual of 77 per cent in 2005-06. When more years of baseline data are available, targets for all three years of the business plan will be set.

## GOAL TWO 2 Excellence in student learning outcomes

**What it means** The Ministry of Education strives to achieve excellence in learning outcomes by supporting students in their quest for success. This support is provided through flexible programming options designed to address the diversity of student needs, as well as through effective implementation of provincial and school-based student assessment. Excellence in learning outcomes means that all students are well prepared for lifelong learning, work and citizenship and have the skills and knowledge to be successful. The following have been identified as Goal 2 outcomes.

- Students demonstrate high standards.
- Students are well prepared for lifelong learning.
- Students are well prepared for employment.
- Students model the characteristics of active citizenship.

**Strategies**

2.1 Work with other ministries and community organizations to improve success for children and youth by enhancing early identification of student needs and providing intervention, and by fostering transitions from home and community to school.

2.2 Work collaboratively with partners and stakeholders to implement the First Nations, Métis and Inuit Education Policy Framework by:

- encouraging school authorities to develop and implement strategies to improve community and parental engagement in the education of First Nations, Métis and Inuit students, and
- developing an action plan for professional development supports for school jurisdictions to implement the First Nations, Métis and Inuit curriculum enhancements.

2.3 Develop a plan to integrate learnings from Alberta Initiative for School Improvement projects into policy and program considerations.

2.4 Work with stakeholders to ensure implementation of "grade level of achievement" reporting.

2.5 Work with other ministries and stakeholders to develop strategies to assist school authorities in meeting the education needs of immigrant and refugee students and those with English as a Second Language programming needs.

| Performance Measures | | Last Actual (year) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|---|
| 2.a Percentage of students in grades 3, 6 and 9 who achieved the acceptable standard and percentage who achieved the standard of excellence on Provincial Achievement Tests | | A \| E | A \| E | A \| E | A \| E |
| Grade 3 | English Language Arts | 81.3% \| 14.1% | 84% \| 18% | 85% \| 18% | 85% \| 18% |
| | Mathematics | 82.0% \| 26.9% | 83% \| 30% | 83% \| 31% | 84% \| 31% |
| Grade 6 | English Language Arts | 79.0% \| 15.9% | 82% \| 18% | 82% \| 18% | 82% \| 18% |
| | French Language Arts | 87.5% \| 11.2% | 88% \| 12% | 88% \| 12% | 89% \| 13% |
| | Français | 94.5% \| 19.7% | 95% \| 20% | 95% \| 21% | 95% \| 21% |
| | Mathematics | 75.2% \| 15.6% | 80% \| 21% | 80% \| 21% | 80% \| 21% |
| | Science | 78.1% \| 27.7% | 82% \| 27% | 82% \| 27% | 82% \| 29% |
| | Social Studies | 78.6% \| 22.9% | 80% \| 22% | 80% \| 22% | 81% \| 24% |
| Grade 9 | English Language Arts | 77.4% \| 13.6% | 80% \| 16% | 80% \| 16% | 80% \| 16% |
| | French Language Arts | 83.3% \| 10.9% | 84% \| 12% | 84% \| 12% | 85% \| 13% |
| | Français | 86.1% \| 14.7% | 87% \| 15% | 87% \| 16% | 88% \| 17% |
| | Mathematics | 67.4% \| 17.4% | 70% \| 21% | 70% \| 21% | 70% \| 21% |
| | Science | 67.4% \| 13.3% | 68% \| 13% | 68% \| 14% | 69% \| 14% |
| | Social Studies | 72.5% \| 18.9% | 75% \| 21% | 75% \| 21% | 75% \| 21% |
| Overall | All subjects and grades | 76.9% \| 19.1% (2005/06) | 78.4%\|20.5% | 78.5% \| 20.7% | 78.8% \| 21.2% |

**Note:**

A | E Acceptable | Excellence – the percentage achieving the acceptable standard includes the percentage achieving the standard of excellence.

| | Performance Measures | Last Actual (year) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|---|
| 2.b | Percentage of Grade 12 students who have written four or more diploma examinations within three years of entering Grade 10 | 53.5%<br>(2004-05) | 54% | 55% | 55% |
| 2.c | Percentage of Grade 12 students eligible for a Rutherford Scholarship | 35.3%<br>(2004-05) | 36% | 36% | 37% |
| 2.d | Parent, teacher and public agreement that students are taught the attitudes and behaviours that will make them successful at work when they finish school | 69%<br>(2005-06) | 70% | 70% | 70% |
| 2.e | Participation rate of Grade 1 students in ECS programs in a prior year | 96.0%<br>(2005-06) | 95%+ | 95%+ | 95%+ |
| 2.f | High school to post-secondary transition rate within six years of entering Grade 10 | 57.5%<br>(2004-05) | 58% | 59% | 60% |
| 2.g | Parent, teacher and student satisfaction that students model the characteristics of active citizenship | 83%<br>(2005-06) | 83% | 83% | 83% |

**Performance Measures Being Developed***

- Percentage of students who achieved the acceptable standard and the standard of excellence on diploma examinations:
  - Social Studies 30, with last actuals of 85.5 per cent (acceptable) and 23.9 per cent (excellence), targets of 86 per cent and 24 per cent, respectively, for 2007-08, and targets of 87 per cent and 25 per cent, respectively, for 2008-09.
  - Social Studies 33, with last actuals of 83.5 per cent (acceptable) and 19.0 per cent (excellence), targets of 85 per cent and 19 per cent, respectively, for 2007-08, and targets of 85 per cent and 20 per cent, respectively, for 2008-09.
  - English 30-1, with last actuals of 88 per cent (acceptable) and 19.3 per cent (excellence).
  - English 30-2, with last actuals of 86.1 per cent (acceptable) and 8.1 per cent (excellence).
  - French Language Arts 30, with last actuals of 95.0 per cent (acceptable) and 21.8 per cent (excellence).
  - Français 30, with last actuals of 94.8 per cent (acceptable) and 28.1 per cent (excellence).
  - Pure Mathematics 30, with last actuals of 82.8 per cent (acceptable) and 26.5 per cent (excellence) and targets of 82 per cent and 26 per cent, respectively, for 2007-08.
  - Applied Mathematics 30, with last actuals of 77.5 per cent (acceptable) and 11.8 per cent (excellence).
  - Biology 30, with last actuals of 81.4 per cent (acceptable) and 26.4 per cent (excellence).
  - Chemistry 30, with last actuals of 88.4 per cent (acceptable) and 37.1 per cent (excellence) and targets of 88 per cent and 37 per cent, respectively, for 2007-08.
  - Physics 30, with last actuals of 84.4 per cent (acceptable) and 30.0 per cent (excellence) and targets of 84 per cent and 30 per cent, respectively, for 2007-08.
  - Science 30, with last actuals of 82.8 per cent (acceptable) and 17.3 per cent (excellence).

* For all performance measures being developed, the last actual result is for 2005-06. When more years of baseline data are available, targets for all three years of the business plan will be set. The percentage achieving the acceptable standard includes the percentage achieving the standard of excellence.

## GOAL THREE 3 Highly responsive and responsible education system

**What it means** The Ministry of Education strives to ensure that the education system is highly responsive and responsible by providing leadership and support and by working collaboratively and communicating effectively with partners, stakeholders and the public. The Ministry promotes the development of human resource capacity within school authorities. It also assists in the development and implementation of planning, reporting and other accountability systems, and supports the effective use of information systems and technology. The following have been identified as Goal 3 outcomes:

- All levels of the education system demonstrate effective working relationships with partners and stakeholders.
- All levels of the education system demonstrate leadership and continuous improvement.

**Strategies**

3.1 Provide Albertans with timely, accurate and relevant information about the education system.

3.2 Work collaboratively with partners and stakeholders to implement the priorities of Alberta's International Education Strategy.

3.3 Enhance relationships with territories and provinces to advance Alberta's cooperative arrangements and leadership in pan-Canadian initiatives, such as the Western and Northern Canadian Protocol and the Council of Ministers of Education, Canada.

3.4 Collaborate with other government ministries, stakeholders, regional authorities and the community on initiatives to support children and youth.

3.5 Provide leadership in the development of school facilities that meet the changing needs of Alberta's students and foster a safe and caring learning environment, including:

- developing innovative and creative approaches to school infrastructure,
- working with Infrastructure and Transportation to develop standardized school designs, and
- reviewing the functional requirements of school facilities to support student programming and school board capital planning.

3.6 Explore options for a long-term solution to the teachers' unfunded pension liability.

3.7 Work with stakeholders to develop a strategic approach to addressing workforce requirements for the education sector, including the implementation of a Principal Quality Practice Standard.

3.8 Work collaboratively with stakeholders on further implementation of the Accountability Pillar, including:

- a framework of support for continuous improvement,
- a clearinghouse of best practices on school improvement to build jurisdiction capacity, and
- a single portal approach for all school jurisdiction performance information.

3.9 Develop a provincial approach to student information that supports the current and future needs of school jurisdictions and the Ministry.

| Performance Measure | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 3.a Parent, teacher, student, school board member and public satisfaction that their input is considered, respected and valued by the school, jurisdiction and province | 61% | 61% | 61% | 62% |

**Performance Measures Being Developed***

- Parent, teacher and school board member satisfaction that the leadership at the school, jurisdiction and provincial levels effectively supports and facilitates teaching and learning, with a last actual result of 73 per cent in 2005-06 and a target of 73 per cent in 2007-08.
- Percentage of teachers, parents and school board members indicating that Alberta's K-12 education system has improved or stayed the same the last three years, with a last actual result of 72 per cent in 2005-06 and a target of 72 per cent in 2007-08.
- Evaluation of achievement and improvement of education system results.

* When more years of baseline data are available, targets for all three years of the business plan will be set.

# MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

| | Comparable | | | | | |
|---|---|---|---|---|---|---|
| | 2005-06 Actual | 2006-07 Budget | 2006-07 Forecast | 2007-08 Estimate | 2008-09 Target | 2009-10 Target |
| **REVENUE** | | | | | | |
| Internal Government Transfers | 127,600 | 129,100 | 129,100 | 129,100 | 129,100 | 129,100 |
| Education Property Tax | 1,283,604 | 1,306,000 | 1,306,000 | 1,378,000 | 1,440,000 | 1,505,000 |
| Sales of Learning Resources | 39,194 | 34,445 | 28,000 | 32,000 | 32,000 | 32,000 |
| Premiums, Fees and Licences | 2,895 | 2,085 | 3,166 | 2,836 | 2,809 | 2,349 |
| Investment Income | 288 | 300 | 300 | 300 | 300 | 300 |
| Other Revenue | 3,798 | 2,500 | 1,200 | 1,500 | 1,500 | 1,500 |
| **MINISTRY REVENUE** | 1,457,379 | 1,474,430 | 1,467,766 | 1,543,736 | 1,605,709 | 1,670,249 |
| **EXPENSE** | | | | | | |
| **Program** | | | | | | |
| Operating Support to Public and Separate Schools | 3,731,339 | 3,927,919 | 3,981,025 | 4,197,639 | 4,369,120 | 4,549,273 |
| Teachers' Pensions | 317,826 | 338,705 | 338,705 | 357,105 | 371,689 | 386,040 |
| Basic Education Programs | 75,720 | 77,334 | 72,081 | 87,113 | 89,642 | 91,379 |
| Accredited Private Schools | 134,663 | 135,574 | 135,574 | 144,353 | 151,761 | 158,455 |
| School Facilities | 621,247 | 740,704 | 982,004 | 924,955 | 922,696 | 717,639 |
| **Total Basic Education Support** | 4,880,795 | 5,220,236 | 5,509,389 | 5,711,165 | 5,904,908 | 5,902,786 |
| *Less* : Property Tax Support to Opted-Out Separate School Boards | (165,776) | (169,000) | (169,000) | (178,000) | (186,000) | (194,000) |
| **Total Government Support to Basic Education** | 4,715,019 | 5,051,236 | 5,340,389 | 5,533,165 | 5,718,908 | 5,708,786 |
| **Program Support** | | | | | | |
| Ministry Support Services | 25,091 | 24,682 | 24,911 | 25,804 | 26,717 | 27,674 |
| Program Delivery Support Services | 58,396 | 58,081 | 58,365 | 59,986 | 61,046 | 61,629 |
| **Total Program Support** | 83,487 | 82,763 | 83,276 | 85,790 | 87,763 | 89,303 |
| **Program Expense*** | 4,798,506 | 5,133,999 | 5,423,665 | 5,618,955 | 5,806,671 | 5,798,089 |
| **Debt Servicing Costs** | | | | | | |
| Alberta School Foundation Fund | 4,173 | 5,700 | 6,200 | 6,200 | 6,400 | 7,000 |
| **MINISTRY EXPENSE**** | 4,802,679 | 5,139,699 | 5,429,865 | 5,625,155 | 5,813,071 | 5,805,089 |
| Gain (Loss) on Disposal of Capital Assets | (26) | - | - | - | - | - |
| **NET OPERATING RESULT** | (3,345,326) | (3,665,269) | (3,962,099) | (4,081,419) | (4,207,362) | (4,134,840) |

| | | | | | | |
|---|---|---|---|---|---|---|
| * Subject to the *Fiscal Responsibility Act* . Program expense includes the province's cash payments towards the unfunded pension liability (which will be eliminated under a separate legislated plan). Program expense does not include the annual change in the unfunded pension obligations, which is a non-cash expense that does not affect borrowing requirements. The annual increases in the Ministry of Education's unfunded pension obligations are estimated to be: | 160,365 | 158,000 | 140,459 | 138,812 | 158,593 | 181,344 |

** Ministry Expense is equal to the single core business of the Ministry, which is Lead and Support the Kindergarten to Grade 12 Education System so that All Students are Successful at Learning.

# CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

| | Comparable | | | | | |
|---|---|---|---|---|---|---|
| | 2005-06 Actual | 2006-07 Budget | 2006-07 Forecast | 2007-08 Estimate | 2008-09 Target | 2009-10 Target |
| Ministry Revenue | 1,457,379 | 1,474,430 | 1,467,766 | 1,543,736 | 1,605,709 | 1,670,249 |
| *Inter-ministry consolidation adjustments* | (127,600) | (129,100) | (129,100) | (129,100) | (129,100) | (129,100) |
| **Consolidated Revenue** | 1,329,779 | 1,345,330 | 1,338,666 | 1,414,636 | 1,476,609 | 1,541,149 |
| Ministry Program Expense | 4,798,506 | 5,133,999 | 5,423,665 | 5,618,955 | 5,806,671 | 5,798,089 |
| *Inter-ministry consolidation adjustments* | - | - | - | - | - | - |
| **Consolidated Program Expense** | **4,798,506** | **5,133,999** | **5,423,665** | **5,618,955** | **5,806,671** | **5,798,089** |
| Ministry Debt Servicing Costs | 4,173 | 5,700 | 6,200 | 6,200 | 6,400 | 7,000 |
| **Consolidated Expense** | 4,802,679 | 5,139,699 | 5,429,865 | 5,625,155 | 5,813,071 | 5,805,089 |
| Gain (Loss) on Disposal of Capital Assets | (26) | - | - | - | - | - |
| **CONSOLIDATED NET OPERATING RESULT** | (3,472,926) | (3,794,369) | (4,091,199) | (4,210,519) | (4,336,462) | (4,263,940) |

# Employment, Immigration and Industry

## BUSINESS PLAN 2007-10

## ACCOUNTABILITY STATEMENT

The business plan for the three years commencing April 1, 2007 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as of March 26, 2007 with material economic or fiscal implications of which I am aware have been considered in preparing the business plan.

The Ministry's priorities outlined in the business plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this business plan.

Iris Evans, *Minister of Employment, Immigration and Industry*
March 30, 2007

## THE MINISTRY

The Ministry of Employment, Immigration and Industry includes the reporting entity of:

- **Department of Employment, Immigration and Industry** – works to support the sustained economic growth and prosperity of Alberta to enhance the quality of life for all Albertans. The Department's policies, programs and services foster labour force development, economic development and fair, safe and healthy workplaces. The Department also leads interprovincial labour mobility policy for the Government of Alberta, provides leadership for immigration and coordinates resources to support the settlement and integration of new Albertans.

Also included in the Ministry are:

- **Alberta Economic Development Authority** – a partnership between businesses and the Government of Alberta. A network of business and industry sectors work with the government to attract investment, and help generate sustained economic growth and employment for Alberta.
- **Northern Alberta Development Council** – a regional development council with a focus on advancing the development of the northern economy.
- **Alberta Labour Relations Board** – a quasi-judicial tribunal responsible for the impartial application and interpretation of Alberta's labour relations laws.

- **Appeals Commission for Alberta Workers' Compensation (Appeals Commission)** – a quasi-judicial and impartial body responsible for the final level of appeal from decisions of the Workers' Compensation Board.
- **Workers' Compensation Board Medical Panels** – an independent body to review disputed Workers' Compensation Board medical claims. The Medical Panel Commissioner is responsible to the Minister.
- **Occupational Health and Safety Council** – advises the Minister on matters concerning the *Occupational Health and Safety Act* and the regulations and in matters concerning the health and safety of workers.

The following organizations prepare their own business plans and annual reports and, as a result, are not included in this business plan:
- **Rural Alberta's Development Fund** – an independent, not-for-profit corporation that administers a $100 million rural development project fund designed to support achievement of the *A Place to Grow: Alberta's Rural Development Strategy*.
- **Workers' Compensation Board** – an employer funded, not-for-profit organization legislated to administer the workers' compensation system for the province's employers.

For more information about the Ministry, please visit the website: employment.alberta.ca.

## VISION

*Alberta is the best place in the world to live, work and do business.*

## MISSION

To build Alberta's economy and workforce to ensure a vibrant and prosperous province for all Albertans.

## LINK TO THE GOVERNMENT OF ALBERTA STRATEGIC BUSINESS PLAN

The Employment, Immigration and Industry business plan fully supports the Government of Alberta's vision of a vibrant and prosperous province where Albertans enjoy a superior quality of life and are confident about the future for themselves and their children. Sustainable economic growth creates the prosperity needed to sustain quality of life for Albertans and thus ensures a higher standard of living and greater opportunities for all citizens of the province. Sustainable economic performance can be achieved if growth pressures are properly addressed. The Employment, Immigration and Industry business plan is, therefore, primarily aligned with the Government Priority to Manage Growth Pressures. The Ministry also works to build a stronger Alberta, improve Albertans quality of life and govern with integrity and transparency.

### Link to Government of Alberta Strategic Business Plan Goals

Employment, Immigration and Industry's strategic priorities, core businesses, goals, and strategies support seven of the ten goals in the Government of Alberta Strategic Business Plan:

**Goal 1 – Alberta will have a prosperous economy**
The Ministry supports industry innovation and productivity, and promotes the development of value-added industries to help maintain Alberta's economic prosperity. It also promotes rural, regional and northern economic development, assists with building vibrant and strong communities across the province and ensures that economic opportunities are available to all Albertans. Furthermore, by working to improve the skills and productivity of the workforce and supporting immigration, the Ministry helps address labour shortages.

**Goal 2 – Albertans will be well prepared for lifelong learning**
The Ministry provides programs, services, supports and information to help Albertans succeed in the labour market and be prepared for lifelong learning and work.

**Goal 4 – Alberta will have a financially stable, open and accountable government and maintain its strong position nationally and internationally**
The Ministry will establish an Office of Statistics and Information to support the government in the efficient and strategic management and dissemination of information for policy development and decision-making.

**Goal 5 – Albertans will be healthy**
The Ministry will work to develop and implement a comprehensive labour sub-strategy to secure and retain health professionals in the province.

**Goal 6 – Albertans will be independent and our children will be well cared for**
The Ministry provides income support, health benefits and other financial benefits to help those in need and to ensure children are well cared for.

**Goal 7 – Alberta will be a safe place to live, work and raise families**
The Ministry promotes safe, healthy and productive workplaces, as well as fair, equitable and stable labour relations environments to ensure a fair, safe and healthy work environment for Alberta's workers.

**Goal 9 – Alberta will have strong and effective municipalities and self-reliant Aboriginal communities**
The Ministry supports First Nations and Métis skills training as well as labour force and economic development and northern development initiatives. This helps Aboriginal and northern communities to be self-reliant and effective.

### Link to Government Priorities:

| GOVERNMENT PRIORITY | EMPLOYMENT, IMMIGRATION AND INDUSTRY'S STRATEGIC PRIORITIES |
|---|---|
| **Manage Growth Pressures** | **Comprehensive Labour Strategy**<br>The Ministry will continue to implement Alberta's Comprehensive Labour Strategy *Building and Educating Tomorrow's Workforce* to help ensure the availability of a skilled and productive workforce to meet the province's rapid economic growth.<br>**'Made in Alberta' Immigration Strategy**<br>As part of the Comprehensive Labour Strategy, the Ministry will improve and strengthen its immigration approach by developing a 'Made in Alberta' immigration strategy to address growing labour shortages. |

## SIGNIFICANT OPPORTUNITIES AND CHALLENGES

A sustainable economy is a key contributor to having a high quality of life. Alberta continues to lead Canada in economic performance and has recently been referred to as the "economic engine" of the country. **Employment:** Alberta's unemployment rate is the lowest in the country and the labour force participation rate continues to be the highest. Although Alberta's population is aging, projections suggest that Alberta's average age will continue to be the lowest in the country. The Aboriginal population continues to grow at a faster rate than the non-aboriginal population in Alberta. Over recent years, more people from other Canadian provinces have moved to Alberta than any other province and immigration is on the rise as well. Alberta generally has a stable labour relations environment and workplaces are striving to be fair, safe and healthy. **Economy**: Strong private and public sector investment and domestic consumption are driving continued growth in employment and income. Our present economy is generating an environment that can support a good quality of life and unprecedented opportunities for all Albertans.

Regardless of the state of the economy, whether it's booming or declining, there are demands placed on Ministry programs and services. When times are good, there are high expectations on certain Ministry programs and services such as ensuring all Albertans benefit from Alberta's prosperity and addressing skills and labour shortages. Also, plans and programs that facilitate business innovation and investment, help streamline processes and address infrastructure challenges are important at this time. When economic times are bad, there are greater demands for programs and services such as income support, assistance to workers who have lost their jobs so they can get additional training or employment, as well as demands for programs to stimulate economic growth, etc.

The current economy in Alberta is strong and gives rise to the following challenges and opportunities:

| Challenges | Opportunities |
|---|---|
| **Maintaining the Quality of Life for all Albertans in a Vibrant and Dynamic Economy:**<br>Current rapid economic growth and urbanization are creating new social and economic challenges that may affect Albertan's high quality of life both now and in the future. The challenges include access to adequate and affordable housing; infrastructure and service demands. Increased costs, particularly for utilities and prescription drugs, may impact the ability of Albertans to manage their financial resources. | **Inclusion of All Albertans:**<br>A prosperous economy brings many opportunities such as higher income and the potential for improved quality of life for all Albertans. The Ministry is striving to help all Albertans access existing and emerging opportunities. By working with our partners such as employers, communities, agencies and training providers, we will help all Albertans (especially those under-represented in the workforce such as older workers, those with disabilities, and Aboriginal people) to continue to increase their skill levels, obtain and maintain employment and achieve the career of their dreams.<br>By working with others, we will also help build a solid social infrastructure, including affordable housing and safe homes and communities. In addition, we will continue to actively seek better ways to help all Albertans achieve and maintain a higher standard of living and quality of life. |
| **Labour and Skills Shortages:**<br>Skills required in the workplace are constantly changing due to the rapid pace of technological change and emerging industries.<br>Continued growth, demographic shifts and tightening labour markets have impacted every industry sector. Labour demand is currently greater than the supply and over the next ten years demand for workers is expected to exceed what Alberta can supply by approximately 109,000 people. | **Skilled and Productive Labour Force:**<br>Labour market trends are predictable and we are working to address both skills and labour shortages. We will continue to work with Albertans to help them acquire or upgrade their skills and remain knowledgeable, competitive and productive in the workplace.<br>Newcomers bring many of the skills needed to enhance our labour force. By marketing Alberta as a great place to live, work and do business, we will attract people from other places and help settle them into our communities so that they call Alberta "home." |

| Regional Imbalances: | Economic Opportunities are Shared Throughout Alberta: |
|---|---|
| While there are abundant natural resources and economic opportunities in Alberta, not all parts of the province benefit fully from Alberta's continuing prosperity. | Promoting rural, regional and northern economic development, building community capacity and infrastructure, and expanding learning and skill development opportunities will assist with building vibrant and strong communities throughout the province. We will help all Albertans, no matter where they live, rural or urban, north or south, enjoy the benefits of Alberta's economic growth. |
| **Sustainable Economic Growth and the Changing Needs of Employers:**<br>Alberta continues to experience unprecedented economic expansion, leading the nation in GDP growth in 2006. However, with such growth comes a variety of challenges including cost overruns, infrastructure, innovation and productivity pressures and economic performance pressures related to the province's dependence on the volatile commodity-based energy sector. | **Improving Innovation Capacity and Performance:**<br>Alberta has opportunities to unleash innovation by increasing research and development intensity, attracting venture capital, creating more value-added jobs and expanding industry capacity. We will work with industry and businesses to help them identify new value-added opportunities, improve their competitiveness, and introduce innovative technologies and processes to increase productivity and reduce critical labour pressures. In addition, we will continue to assist with their labour force planning to support long-term success. |

## STRATEGIC PRIORITIES 2007-10

Over and above the important ongoing activities of the Ministry of Employment, Immigration and Industry, the following strategic priorities have been identified:

### GOVERNMENT PRIORITY – BUILD A STRONGER ALBERTA

1. **Sustained economic growth and prosperity of Alberta**

**Linkage:**
**Goals 1, 3, 4 and 5**

Sustainable economic growth is the foundation to support Albertans' priorities of a better quality of life for all Albertans, a higher standard of living, and greater opportunities for Albertans to achieve their dreams.

To achieve sustainable economic performance, Alberta's value-added strategy *Securing Tomorrow's Prosperity*, aims at keeping Alberta's economic base competitive and knowledge-driven. The strategy endeavours to raise awareness within industry and government of the importance of continued productivity gains by supporting industry innovation, technology adoption and process improvement. *Building and Educating Tomorrow's Workforce* and *A Place to Grow: Alberta's Rural Development Strategy* also support this strategic priority.

**2. Rural, Regional and Northern Development**

**Linkage: Goals 1, 2, 3 and 4**

Alberta is a great province only if everyone can share in its economic prosperity regardless of where they live. The Ministry will continue to make progress on *A Place to Grow: Alberta's Rural Development Strategy* by considering opportunities in bio-energy, tourism and community development and capitalizing on the economic opportunities for rural and northern Alberta. It will also collaborate with other ministries, the Alberta Economic Development Authority, Regional Economic Development Alliances, the Northern Alberta Development Council and other stakeholders to promote and advance rural and regional development and support small and medium sized enterprises throughout the province.

## GOVERNMENT PRIORITY – MANAGE GROWTH PRESSURES

**3. Comprehensive Labour Strategy**

**Linkage: Goals 1, 2, 3 and 5**

The economy can only be sustained if Alberta has the right people with the right skills at the right time to do the work. The Ministry will continue to implement Alberta's Comprehensive Labour Strategy – *Building and Educating Tomorrow's Workforce* by working with partners and stakeholders to help ensure the availability of a skilled and productive workforce to meet Alberta's economic growth, now and in the future. In particular, the Ministry will develop a First Nations and Métis skills, training and labour force development strategy, as well as specific industry sector strategies such as tourism and hospitality, construction, manufacturing, energy, and mining to address labour shortages. The Ministry will also work to develop and implement a comprehensive labour sub-strategy to secure and retain health professionals in the province.

**4. 'Made in Alberta' Immigration Strategy**

**Linkage: Goals 2 and 3**

As part of the Comprehensive Labour Strategy, the Ministry will also develop a 'Made in Alberta' immigration strategy to help meet Alberta's labour market needs. It will include improvements to Provincial Nominee and Temporary Foreign Worker programs, as well as marketing, recruitment and settlement initiatives.

**5. Employment Standards, Labour Relations and Occupational Health and Safety**

**Linkage: Goals 5, 6 and 7**

It is important that all employees go to work in an environment where their safety and health is protected, where they are treated with respect and they are compensated fairly for the job they are doing. This will result in an attractive workplace that possesses a spirit of harmony for both employees and employers, and further positions Alberta companies to be competitive in the global economy. To meet the changing needs of employers and employees, the Ministry will review Alberta's legislation governing the workplace with the aim of consolidating and streamlining laws related to employment standards, labour relations and occupational health and safety.

## GOVERNMENT PRIORITY – GOVERN WITH INTEGRITY AND TRANSPARENCY

**6. Establishing an Office of Statistics and Information**

**Linkage: Goals 1, 2, 3, and 4**

Good and reliable information and data are key to planning, making informed decisions and developing the policies needed to sustain economic performance so current and future generations of Albertans can enjoy living, working and doing business in this prosperous province. The Ministry will establish an Office of Statistics and Information to consolidate official statistics and other key government data to better support the efficient and strategic management and dissemination of information for policy development and decision-making.

# CORE BUSINESSES, GOALS, STRATEGIES & PERFORMANCE MEASURES

## Core Business One: Employment

Employment, Immigration and Industry helps individual Albertans and families realize their potential and ability to share in the social, economic and cultural fabric of the province.

### GOAL ONE 1 All Albertans share in and contribute to the economic prosperity of Alberta

**What it means** Skilled and productive Albertans are critical to achieving economic prosperity and a high quality of life. Alberta's labour market is dynamically changing with the province's economic growth, technological advances and emerging new industries. Through *Building and Educating Tomorrow's Workforce*, the Ministry will strive to ensure all Albertans who are able to participate in the labour market are given that opportunity to do so to their full potential. All Albertans will continue to be supported in acquiring the knowledge, skills and resources needed to participate in current and future opportunities. The Ministry also proactively assists Albertans facing adversity (e.g., Aboriginal Peoples, persons with disabilities and victims of family violence) so that they can participate in the social and economic life of Alberta. In addition, the Ministry provides health benefits, child support services and financial assistance to help Albertans with low income be as independent as possible, move to employment and stay in the labour force.

**Strategies**

1.1 Help Albertans develop skills, find and keep employment, manage their careers and adapt to the changing labour market by providing information, programs and services.

1.2 Continue to support labour market programs designed for the Aboriginal population and create partnerships with Aboriginal communities including First Nations on- and off-reserve, Aboriginals, Métis and Inuit.

1.3 Enhance the skill level and labour force participation of under-represented groups such as youth, immigrants, persons with disabilities, Albertans with low income and older workers.

1.4 Help individual Albertans succeed in the labour market by developing and publishing career and labour market information products, resources and on-line services.

1.5 Support Albertans in need, learners who are improving their skills through training and Albertans escaping family violence through the provision of income support.

1.6 Increase the attachment of Albertans to the labour market by providing health benefits to children of families with low income, and current and former income support recipients.

1.7 Increase the financial independence and attachment to the labour force of Albertans with low incomes by providing child support services to help to ensure non-custodial parents provide financial support to their children.

1.8 Develop a concept paper on the major social impacts of rapid economic growth in Alberta and determine appropriate action.

1.9 Advance women's equality in areas such as the prevention of violence against women and Aboriginal women's issues.

| Performance Measures | | Last Actual (year) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|---|
| 1.a | Inter-provincial rank of labour force participation (#1 is the highest) | #1<br>(72.6% 2005) | #1 | #1 | #1 |
| 1.b | Percentage of participants in skills programs employed post-intervention[1] | 80%<br>(2005-06) | 80% | 80% | 80% |
| 1.c | Percentage of participants in skills programs who indicate their training helped prepare them for future employment | 82%<br>(2005-06) | 82% | 82% | 82% |
| 1.d | Percentage of participants employed after leaving Income Support | 68%<br>(2005-06) | 70% | 70% | 70% |
| 1.e | Percentage of Child Support Services clients with potential for child support who have a support order or an agreement in place when the file closes | 78%<br>(2005-06) | 80% | 80% | 80% |

**Note:**

1 In an effort to enhance the measurement of 1.b in future business plans, the Ministry will explore the development of a measure on the proportion of participants in skills programs who obtained employment related to the specific field in which they were trained.

## Core Business Two: Immigration*

Employment, Immigration and Industry attracts and welcomes newcomers into Alberta to primarily offset our labour and skills shortages. Alberta's newcomers – both from other provinces and from other countries – will add to the diversity of our population as they are welcomed and settled into our communities.
* (In this business plan, the core business of Immigration encompasses international immigration of permanent residents, temporary foreign workers, foreign students and inter-provincial migration to Alberta.)

GOAL TWO

## 2 Alberta is able to attract workers to the province

**What it means** Alberta's strong economic growth is placing high demands for skilled and productive workers in our labour force. Right now, there are not enough workers to fill the demand of business and industry in the province. Over the next ten years, current forecasts indicate that the demand for workers will exceed Alberta's labour force growth predictions by 109,000 people. As part of *Building and Educating Tomorrow's Workforce*, Alberta will look beyond its borders, first to the other provinces and then to the rest of the world for people to fill the demand gap in both the short and long term. At the same time, the Ministry provides supports and services for newcomers as they settle within our communities and move into the workforce. The Ministry also leads *Supporting Immigrants and Immigration to Alberta*, a basis for coordinated policy and programs for new Albertans.

**Strategies**

2.1 Work with institutions, employers and professional associations to encourage the recognition of credentials, competencies, prior learning and work experience of current and prospective Albertans who meet licensing requirements.

2.2 Promote access to employment opportunities by reducing or eliminating inter-provincial labour mobility barriers and ensure that professional and occupational associations are governed in a way that is transparent and accountable to the public.

2.3 Develop a comprehensive 'Made in Alberta' immigration strategy.

2.4 Assist employers in attracting and retaining labour by providing information and guidance on federal-provincial processes by marketing Alberta as a good place to live, work and grow.

2.5 Expand the Provincial Nominee Program to support employers in meeting labour shortages.

2.6 Assist foreign nationals in accessing labour market information about Alberta and the processes to access employment opportunities, prior to coming to Alberta.

2.7 Ensure settlement services, bridging programs and language training services effectively support the integration of newcomers into Alberta.

| Performance Measures | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 2.a Percentage of immigrants to Canada that choose Alberta as their destination | 7.4% | 8.0% | 9.0% | 9.5% |
| 2.b Number of provincial nominations forwarded to the federal government | 522 | 2,500 | 5,000 | 8,000 |
| 2.c Percentage of clients who would recommend International Qualifications Assessment Services to others requiring an educational assessment | 89% | 90% | n/a | 90% |
| 2.d Number of International Qualifications Assessment Services assessment certificates issued | 3,596 | 4,000 | 4,200 | 4,400 |

**Note:**
n/a Survey conducted every two years.

## Core Business Three: Industry

Employment, Immigration and Industry works with industry and communities to enhance sustainable economic development, competitiveness, innovation and productivity, and to promote fair, safe and healthy workplaces.

### GOAL THREE 3 Alberta has a competitive and sustainable economy

**What it means** Employment, Immigration and Industry is well-positioned to set the long-term strategic direction for value-added industry and economic development for Alberta. The Ministry works with the Alberta Economic Development Authority, industry, businesses, communities and the Regional Economic Development Alliances to make Alberta globally competitive in priority sectors by promoting initiatives to attract investment and improve company competitiveness, capacity, competency and productivity. Employment, Immigration and Industry also works with individuals and companies to secure and retain investment for Alberta. In addition, the Ministry collaborates with partners such as industry and employers, industry sector associations, unions, labour groups, training providers, communities and other orders of government to address current and emerging skills and labour requirements.

**Strategies**

3.1 Lead the awareness and implementation of the Government of Alberta's *Securing Tomorrow's Prosperity* strategy to support the development of competitive value-added goods and service industries.

3.2 Improve company competitiveness and productivity by supporting industry innovation, technology adoption and commercialization, process improvement, and promoting and developing industry partnerships, networks and alliances.

3.3 Encourage value-added industry growth and build market presence in Alberta's priority sectors.

3.4 Support informed industry decision making by generating business and economic intelligence and developing and publishing economic information products, resources and on-line services.

3.5 Implement Alberta's Comprehensive Labour Strategy *Building and Educating Tomorrow's Workforce* and develop specific labour force plans addressing Aboriginal and Métis labour force development initiatives, and industry-specific strategies.

3.6 Contribute to the development of policy to maximize the value of Alberta's natural and other resources and to support a sustainable and diversified economy.

3.7 With input from Alberta Economic Development Authority and other advisory bodies, set key directions where targeted actions and strategies can produce prosperity for Albertans.

3.8 Market Alberta as an attractive destination for investment to targeted companies within priority sectors and to capital investors.

3.9 Establish an Office of Statistics and Information to consolidate official statistics and other key government data to support strategic management and dissemination of information for policy and decision-making.

3.10 Co-lead the development and implementation of the Health Workforce Action Plan and the health care sector sub-strategy.

| Performance Measures | Last Actual (2005) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 3.a Labour productivity: inter-provincial rank of real Gross Domestic Product in dollars per hour worked (#1 is the highest) | #1 | #1 | #1 | #1 |
| 3.b Real Gross Domestic Product of manufacturing and business and commercial services | | | | |
| • $billions | $27.4 billion | $29.7 billion | $30.9 billion | $32.2 billion |
| • Per cent change | 5.1% | 4.0% | 4.0% | 4.0% |
| 3.c Manufacturing and service industry investment: the value of new capital expenditures on construction and machinery and equipment in Alberta's manufacturing and services industry[1] | | | | |
| • $billions | $13.9 billion | $17.7 billion | $18.9 billion | $20.3 billion |
| • Per cent change | 6.3% | 7.0% | 7.0% | 7.0% |
| 3.d Percentage of employers who reported no positions vacant for more than four months | 72% | 72% | n/a | 72% |

**Notes:**

[1] The targets for this measure are based on an annual percentage change.

n/a Survey conducted every two years.

## GOAL FOUR 4 Alberta has strong and vibrant regions and rural communities

**What it means** Vibrant and sustainable rural communities with increased economic and social capacity contribute to a prosperous Alberta. Employment, Immigration and Industry in collaboration with other Ministries and rural and regional communities, continues to make progress on *A Place to Grow: Alberta's Rural Development Strategy.* The Ministry also works to strengthen rural communities and advance northern development through facilitation of the development of the Regional Economic Development Alliances. It also assists Alberta communities and alliances in identifying investment opportunities to promote sustainable growth. The Northern Alberta Development Council focuses attention and awareness on northern Alberta's unique opportunities and challenges. Specifically, the Northern Alberta Development Council initiates, coordinates and develops policies and strategies to advance sustainable northern development.

**Strategies**

4.1 Coordinate and lead the implementation of *A Place to Grow: Alberta's Rural Development Strategy* and provide support to the Rural Alberta's Development Fund.

4.2 Facilitate economic and community capacity building and strengthening by supporting the development and operations of the Regional Economic Development Alliances and other economic development organizations.

4.3 Encourage and enhance relationships and partnerships between the Regional Economic Development Alliances and Aboriginal communities.

4.4 Partner with other jurisdictions, other ministries, northern and Aboriginal communities, business, and industry on initiatives to promote northern, regional and rural development.

4.5 Promote awareness of the significance of northern development to all Albertans.

4.6 In partnership with northern communities, business, industry, learning providers and students, support initiatives to increase northern skill levels.

4.7 Assist Albertans with the development and expansion of small and medium sized Alberta businesses throughout the province through service delivery organizations such as The Business Link.

| Performance Measures | Last Actual (year) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 4.a Number of communities participating in Regional Economic Development Alliances and partnerships[1] | 261<br>(2005-06) | 265 | 270 | 275 |
| 4.b Percent of Regional Economic Development Alliances board members satisfied with support received to help address economic development priorities in Alberta | 89%<br>(2005-06) | 89% | 89% | 89% |
| 4.c Number of Alberta Economic Regions with a labour force participation rate higher than the national average | 8 of 8<br>(2005) | 8 of 8 | 8 of 8 | 8 of 8 |
| 4.d Partner satisfaction rating with the Northern Alberta Development Council's contribution in advancing northern interests[2] | 8.2<br>(2005-06) | 8.0 | 8.0 | 8.0 |
| 4.e Northern Alberta Development Council Bursary return rate[3] | 80%<br>(2005-06) | 75% | 75% | 75% |

**Notes:**

1 While there are 360 communities in Alberta, not all communities wish to participate in a Regional Economic Development Alliance.

2 Average rating on a scale of 1 to 10 (1 = very dissatisfied; 10 = very satisfied).

3 The Northern Alberta Development Council Bursary includes a requirement for students to enter into a reciprocal agreement to work in northern Alberta upon completion of their education. The bursary return rate measures compliance with this obligation.

## GOAL FIVE 5 Alberta has a fair, safe and healthy work environment

**What it means** Fair, safe, healthy and productive workplaces help keep the Province of Alberta prosperous and competitive in the global economy, as well as increase the quality of life for Alberta workers. The Ministry helps employers and organizations develop positive labour-management relationships through better communication, problem solving and cooperation. The Ministry also promotes, regulates, monitors and informs employers and employees about workplace rights and responsibilities, health and safety, and fair and balanced employment standards.

**Strategies**

5.1 Support Alberta's workplaces to resolve management and union disputes and relationship issues effectively by providing mediation, arbitration and facilitation services.

5.2 Implement approaches to enhance compliance with employment standards and workplace health and safety and review workplace legislation to ensure it is current and relevant to Alberta's workplaces.

5.3 Continue to build upon the success of the Work Safe Alberta initiative and implement new approaches to further reduce work-related injury and disease especially among inexperienced workers and students.

5.4 Provide employers and workers with access to workplace health and safety and employment standards information.

5.5 Implement approved recommendations arising from the review of the Employment Standards Program, Code and Regulation.

| Performance Measures | Last Actual (year) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 5.a Percentage of collective bargaining agreements settled without a work stoppage (strike or lockout) | 98%<br>(2005-06) | 98% | 98% | 98% |
| 5.b Percentage of employers whose employment practices resulted in no complaints being registered with Employment Standards[1] | 98%<br>(2005-06) | 97% | 97% | 97% |
| 5.c Lost-Time Claim Rate: number of lost-time claims per 100 person-years worked[2] | 2.4<br>(2005) | 1.9 | 1.7 | 1.7 |
| 5.d Disabling Injury Rate: number of disabling injury claims per 100 person-years worked[3] | 4.0<br>(2005) | 2.8 | 2.5 | 2.5 |

**Notes:**

1 The recent review of Employment Standards may impact future results and targets.

2 The Lost-Time Claim Rate represents the probability or risk of an injury or disease to a worker during a period of one year that will result in time lost from work. The lower the Lost-Time Claim Rate, the lower the probability of worker injury or disease. A Lost-Time Claim is a claim for an occupational injury or disease that causes the worker to have time away from work, beyond the day of injury.

3 The Disabling Injury Rate represents the probability or risk of a disabling injury or disease to a worker during a period of one year of work. A Disabling Injury Claim combines both the Lost-Time and Modified-Work concepts to produce an overall figure. It occurs when an occupational injury or disease disables the worker causing either time lost from work or when their normal work duties need to be modified.

## GOAL SIX 6 Alberta has a fair, equitable and stable labour relations environment

**What it means** It is important to have an independent and impartial tribunal, responsible for the day-to-day application and interpretation of Alberta's labour laws. The Alberta Labour Relations Board processes applications and frequently conducts hearings on matters arising from both private and public employment sectors. Some, but not all, of the issues that come before the Alberta Labour Relations Board include certifications, revocations, various votes, bargaining unit determinations and unfair labour practices which fall under the *Labour Relations Code, Public Service Employee Relations Act* and *Police Officers Collective Bargaining Act.*

**Strategies**

6.1 Provide timely, effective and efficient services to the Alberta labour relations community.

6.2 Promote use of Alternative Dispute Resolution methods to solve issues before reaching formal hearings.

6.3 Render clear and timely decisions for the parties.

| Performance Measures | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 6.a Average number of days from the acceptance of an application to the date of the first hearing | 75 | 70 | 70 | 70 |
| 6.b Percentage of applications, with Board involvement, settled before reaching a formal hearing[1] | 73% | 56% | 57% | 57% |
| 6.c Percentage of decisions rendered within 90 calendar days from the completion of the hearing(s) | 62% | 85% | 85% | 85% |
| 6.d Percentage of decisions rendered within 180 calendar days from the completion of the hearing(s) | 88% | 100% | 100% | 100% |

**Note:**

1 Certifications and Revocations are not included as they are mandated to go to the hearing if the applicant demonstrates sufficient statutory requirements. However, it is common for the numerous and sometimes complicated issues relating to these applications to benefit from Board settlement efforts.

GOAL SEVEN 7

## Alberta has an effective mechanism for the final appeal of Workers' Compensation Board decisions

**What it means** Having an independent and impartial body to hear appeals of decisions made by the Workers' Compensation Board is essential. This final level of appeal is important for workers, employers and the Workers' Compensation Board as well. The fair and consistent application of legislation, policy and principles of natural justice is required to ensure solid, defendable decisions.

**Strategies**

7.1 Provide a timely appeal service.

7.2 Provide fair decisions on appeals applications.

| Performance Measures | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 7.a Average number of days of processing time required by the Appeals Commission from the date the appeal is received until the appeal is finalized:[1] | | | | |
| • Standard Appeals | 216 | 145 | 145 | 145 |
| • Complex Appeals | 278 | 210 | 210 | 210 |
| 7.b Percentage of the total number of Appeals Commission decisions issued that are either not challenged or are not overturned upon review by the Courts, the Ombudsman or by the Appeals Commission on reconsideration | 98.3% | Greater than 98.0% | Greater than 98.0% | Greater than 98.0% |

**Note:**

1 Standard Appeals are those appeals with two or less straightforward issues that require normal preparation, decision-making and decision writing. Complex Appeals encompass matters with complicated medical/adjudicative and unique legal arguments (usually three or more).

## Ministry Support Services

Services such as finance, human resources, information management, privacy protection services, systems, strategic planning, reporting, evaluation, statistical analysis and dissemination of information, appeals services, communications, legislative planning, and intergovernmental relations are provided to:

- support the effective management and delivery of Employment, Immigration and Industry programs and services;
- promote simplification; and
- encourage continuous improvement throughout the Ministry in order to better serve Albertans.

## EXPENSE BY CORE BUSINESS

(thousands of dollars)

| | Comparable | | | | | |
|---|---|---|---|---|---|---|
| | 2005-06 Actual | 2006-07 Budget | 2006-07 Forecast | 2007-08 Estimate | 2008-09 Target | 2009-10 Target |
| Employment | 666,780 | 665,751 | 649,499 | 661,377 | 659,818 | 662,124 |
| Immigration | 51,585 | 56,179 | 60,501 | 69,700 | 72,786 | 75,626 |
| Industry | 60,139 | 169,031 | 170,521 | 122,132 | 116,012 | 116,719 |
| **MINISTRY EXPENSE** | 778,504 | 890,961 | 880,521 | 853,209 | 848,616 | 854,469 |

# MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

| | Comparable | | | | | |
|---|---|---|---|---|---|---|
| | 2005-06 Actual | 2006-07 Budget | 2006-07 Forecast | 2007-08 Estimate | 2008-09 Target | 2009-10 Target |
| **REVENUE** | | | | | | |
| Internal Government Transfers | 11,769 | 12,769 | 12,769 | 12,769 | 12,769 | 12,769 |
| Transfers from Government of Canada | 209,326 | 218,010 | 190,360 | 226,109 | 225,650 | 219,320 |
| Premiums, Fees and Licences | 313 | 300 | 300 | 300 | 300 | 300 |
| Other Revenue | 26,646 | 27,333 | 26,926 | 35,260 | 35,594 | 35,633 |
| **MINISTRY REVENUE** | 248,054 | 258,412 | 230,355 | 274,438 | 274,313 | 268,022 |
| **EXPENSE** | | | | | | |
| **Program** | | | | | | |
| Employment and Training Programs | 126,805 | 151,044 | 136,328 | 138,196 | 136,286 | 136,456 |
| Health Benefits | 96,858 | 94,948 | 92,238 | 96,701 | 96,222 | 96,074 |
| Income Supports | 300,673 | 280,989 | 276,536 | 279,603 | 277,982 | 277,680 |
| Employment - Program Planning and Delivery | 123,937 | 123,051 | 128,114 | 130,059 | 132,127 | 134,441 |
| Economic Development | 9,893 | 10,681 | 11,155 | 22,845 | 15,570 | 15,280 |
| Regional and Rural Development | 6,798 | 8,418 | 8,418 | 10,182 | 10,365 | 10,548 |
| Contribution to Rural Alberta's Development Fund | - | 100,000 | 100,000 | - | - | - |
| Industry, Regional and Rural Development - Program Development and Support | 4,190 | 4,671 | 5,171 | 6,467 | 6,471 | 6,565 |
| Workplace Relationships | 2,239 | 2,591 | 2,579 | 3,284 | 3,388 | 3,441 |
| Workplace Health and Safety | 16,754 | 18,867 | 18,550 | 21,501 | 21,830 | 22,155 |
| Employment Standards | 5,879 | 5,697 | 6,171 | 9,228 | 9,340 | 9,503 |
| Workers' Compensation Medical Panels | - | - | 250 | 991 | 1,083 | 1,122 |
| Labour Standards and Workplace Safety - Program Support | 1,849 | 1,601 | 1,934 | 1,703 | 1,716 | 1,729 |
| Immigration Programs | 49,749 | 54,348 | 58,382 | 66,811 | 69,840 | 72,570 |
| Immigration Policy Support | 506 | 507 | 641 | 1,119 | 1,051 | 1,063 |
| Health Workforce Development | - | - | - | 30,000 | 30,000 | 30,000 |
| Labour Relations Board | 2,980 | 2,924 | 3,082 | 2,995 | 3,067 | 3,138 |
| Workers' Compensation Appeals | 8,006 | 9,596 | 9,046 | 9,835 | 10,162 | 10,162 |
| Ministry Support Services | 20,040 | 21,004 | 21,496 | 21,665 | 22,092 | 22,518 |
| Valuation Adjustments and Other Provisions | 1,348 | 24 | 430 | 24 | 24 | 24 |
| **MINISTRY EXPENSE** | 778,504 | 890,961 | 880,521 | 853,209 | 848,616 | 854,469 |
| Gain (Loss) on Disposal of Capital Assets | - | - | - | - | - | - |
| **NET OPERATING RESULT** | (530,450) | (632,549) | (650,166) | (578,771) | (574,303) | (586,447) |

# CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

| | Comparable | | | | | |
|---|---|---|---|---|---|---|
| | 2005-06 Actual | 2006-07 Budget | 2006-07 Forecast | 2007-08 Estimate | 2008-09 Target | 2009-10 Target |
| Ministry Revenue | 248,054 | 258,412 | 230,355 | 274,438 | 274,313 | 268,022 |
| *Inter-ministry consolidation adjustments* | (11,769) | (12,769) | (12,769) | (12,769) | (12,769) | (12,769) |
| **Consolidated Revenue** | 236,285 | 245,643 | 217,586 | 261,669 | 261,544 | 255,253 |
| Ministry Expense | 778,504 | 890,961 | 880,521 | 853,209 | 848,616 | 854,469 |
| *Inter-ministry consolidation adjustments* | - | - | - | - | - | - |
| **Consolidated Expense** | **778,504** | **890,961** | **880,521** | **853,209** | **848,616** | **854,469** |
| Gain (Loss) on Disposal of Capital Assets | - | - | - | - | - | - |
| **CONSOLIDATED NET OPERATING RESULT** | (542,219) | (645,318) | (662,935) | (591,540) | (587,072) | (599,216) |

# Energy

## BUSINESS PLAN 2007-10

## ACCOUNTABILITY STATEMENT

The business plan for the three years commencing April 1, 2007 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as of March 26, 2007 with material economic or fiscal implications of which I am aware have been considered in preparing the business plan.

The Ministry's priorities outlined in the business plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this business plan.

Mel Knight, *Minister of Energy*
March 28, 2007

## THE MINISTRY

Alberta owns 81 per cent of the province's mineral rights. The Ministry of Energy manages the development of these resources on behalf of the people of Alberta, within the province's framework for sustainable resource and environmental management.

The Ministry of Energy consists of the Department of Energy, the Alberta Petroleum Marketing Commission, and the Alberta Energy and Utilities Board.

The Department manages the development of provincially owned energy and mineral resources by industry and the assessment and collection of resource revenue in the form of royalties, freehold mineral taxes, rentals and bonuses. The Department promotes development of Alberta's energy and mineral resources, recommends and implements energy and mineral policy, grants rights for industry exploration and development and establishes and administers fiscal and royalty systems. The Department's resource portfolio includes natural gas, conventional oil, oil sands, petrochemicals, electricity, coal and minerals, renewable energy (wind, bio-energy, solar, hydro, geothermal, etc.) and energy efficiency and conservation.

The Alberta Petroleum Marketing Commission accepts delivery of the Crown's royalty share of conventional crude oil and sells it at current market value. Unlike other energy commodities, conventional crude oil royalties are paid with "in-kind" product which are sold in the market. The Commission's operations are fully integrated within the Department and funded by the Crown.

The Alberta Energy Utilities Board is an independent, quasi-judicial agency of the Government of Alberta with responsibility to regulate Alberta's energy resource and utility sectors. While the Board reports to the Minister of Energy, it makes its formal decisions independently in accordance with statutes and various regulations. The Board's operations are jointly funded by the Crown (43 per cent) and by industry (57 per cent). The Board has delegated the authority for management of the abandonment and reclamation of oil and natural gas sites deemed by the Board to be orphans to the Alberta Oil and Gas Orphan Abandonment and Reclamation Association. The Board Chairman has governance responsibility for the Market Surveillance Administrator, which monitors Alberta's electricity market to ensure it operates fairly, efficiently and in an open and competitive manner.

## VISION

*Alberta is a global energy leader, using its world class knowledge, expertise and leadership to develop the vast energy resources of the province and to market these resources and abilities to the world.*

## MISSION

Optimize the sustained contribution from Alberta's energy and mineral resources in the interests of Albertans.

## ALBERTA'S INTEGRATED ENERGY VISION

Energy introduced a long-term vision for the integrated development of Alberta's energy resources in 2006. Energy's vision for integration is about developing Alberta's vast energy resources and world class expertise, positioning Alberta as a globally recognized energy supplier, using an environmentally responsible approach to energy development and meeting the expectations of Albertans as owners of their energy and mineral natural resources.

In August 2006, Energy released a discussion document titled *Alberta's Integrated Energy Vision*. Stakeholders and the general public commented on the document. Energy will now work with other ministries and stakeholders to develop comprehensive energy strategies to implement the new vision. Implementation of the Energy vision will also be guided by other key initiatives presently being undertaken by the Government of Alberta. These include the results of consultation on future oil sands development; the provincial Land-use Framework, Hydrocarbon Upgrading Task Force recommendations; Water for Life strategy implementation; and Alberta's climate change plan.

## LINK TO THE GOVERNMENT OF ALBERTA STRATEGIC BUSINESS PLAN

The Ministry of Energy is committed to the Government of Alberta's Strategic Business Plan. The key linkages and contributions of the Ministry to the Government of Alberta goals and Government Priorities and are highlighted below:

***Goal 1: Alberta will have a prosperous economy***

The Ministry promotes expansion of production from Alberta's oil sands, enhanced energy infrastructure, increased recovery of conventional oil and natural gas, development of unconventional gas, renewable energy sources, and increased value added upgrading of Alberta's energy resources. In partnership with industry, the Ministry supports technological innovation that enhances environmentally sustainable development.

***Goal 3: The high quality of Alberta's environment will be sustained***

***Goal 4: Alberta will have a financially stable, open and accountable government and maintain its strong position nationally and internationally***

***Goal 10: Alberta will have effective and efficient transportation infrastructure***

The Ministry assesses and collects resource revenue from the development of Alberta's energy and mineral resources. In 2005-06 non-renewable resource revenue accounted for about 40 per cent of the provincial government's total revenue. The contribution of the energy and mineral sectors to provincial revenue will continue to support having no provincial sales tax, low personal and corporate income tax rates, and the provision of priority programs and services on which Albertans depend. The Ministry regulates the development and delivery of energy resources and energy utilities in Alberta having regard for social, economic and environmental effects, including resource conservation.

***Government Priorities***

Energy's priorities directly support two of the five Government of Alberta's priorities. Under the Government Priority: Manage Growth Pressures, Energy will develop a comprehensive strategy for the development of renewable and non-renewable energy and energy conservation and support development of the provincial Land-use Framework. Energy will contribute to: Building a stronger Alberta by supporting a review of royalties by a government mandated external panel.

## SIGNIFICANT OPPORTUNITIES AND CHALLENGES

### Opportunities:

***Alberta's Energy Supply*** – Alberta has a vast and diverse supply of natural resources. Huge non-conventional oil sands and coalbed methane resources complement our existing large conventional resource base. Abundant coal reserves offer expanded opportunities for increased exports as well as value-added processing, electricity generation and gasification. Alberta also has extensive wind, solar and bio-energy resources. Future energy development in Alberta must build on the strengths of all of these resources, employing integrated strategies that maximize synergies and value-added opportunities for the benefit of Albertans.

***Growing Global Markets*** – While the United States will continue to be the principal non-Canadian consumer of Alberta's energy products, new global markets are emerging and presenting new market opportunities for Alberta's energy products and expertise.

***Alberta's Competitive Energy Advantage*** – Alberta provides an attractive energy investment climate: Its policy, fiscal and regulatory environment provides a high level of certainty and stability. Alberta has superior environmental technology, a large petrochemical sector and well developed pipeline infrastructure to access North American markets. Alberta provides a highly developed financial infrastructure of head offices, major branch offices and financial centres. Our workforce has world-class expertise, knowledge, and experience excelling in energy exploration, development of world-scale energy projects, research, energy training, financial assessment and practices, energy infrastructure planning and building, energy policy and governance.

***Adding Value*** – Refining and upgrading raw energy resources, as well as further petrochemical processing to produce a diversity of products that can be sold for higher value in the world marketplace can greatly expand work and business opportunities for Albertans. Alberta has the potential to be a world leader in transforming hydrocarbons into a vast array of marketable products.

***Research and Innovation*** – A renewed emphasis on energy research and development is crucial to unlocking the full potential of Alberta's energy resources. The oil sands hold enormous potential, but will require new technologies to achieve its full production potential. New technologies will expand the use of Alberta's abundant coal resources in low emission/clean power generation, coal gasification and industrial feed stocks. We also need to use innovative approaches to improve our capture and use of carbon dioxide ($CO_2$), reduce the use of natural gas and water in both oil sands operations and ethanol production, reduce emissions from oil sands operations, and develop Alberta's renewable energy sources.

***Environmentally Sustainable Energy Development*** – Albertans expect their energy and mineral resources to be developed in a manner that sustains the environment. Alberta has the opportunity to be a North American and global leader in the environmentally sustainable development of its energy and mineral resources and in implementing energy conservation.

### Challenges:

***Energy Prices and Revenue Forecasts*** – Volatility and uncertainty about oil and natural gas prices continue to present a challenge in forecasting this Government of Alberta revenue. A majority of analysts generally agree that oil supply will grow faster than demand and oil prices will trend lower over the long term. They differ on how much and how fast the price will fall depending on the relative difference between global supply and demand.

***Royalties*** – Albertans expect to receive a fair share of revenues from the development of their energy resources and the Government of Alberta has committed to conducting a review of energy royalties.

***Electricity Generation and Transmission Capacity*** – Installed generating capacity will need to increase in order to keep pace with Alberta's growing demand for electricity. The outlook is for generation reserve margins to tighten. Proposed investments in new generation additions are dependent on enhancements to Alberta's transmission system to ensure access to markets. Timely regulatory approval will be critical to ensuring adequate future transmission capacity.

***Access, Regulation and Public Support*** – Competition for the use of Alberta's land base is increasing, driven by strong economic and population growth. Effective management of the competing interests of surface and subsurface activity, is critical to sustained economic growth and quality of life for Albertans. Increased industry activity also means increased public concern about safety, pace of development and environmental protection. Albertans must be confident that the regulations and policies related to safety, energy development, access, and environmental standards and protection are effective, reasonable and consistently applied.

***Pace of Development*** – Market conditions and global recognition of Alberta's oil sands resource are drivers of current levels of investment and development. Rapid oil sands industry growth has put significant pressure on social and physical infrastructure in oil sands development regions. The pace and scale of development of Alberta's oil sands is also raising concerns about greenhouse gas emissions, fresh water use, and cumulative effects. In other parts of the province, conventional oil and gas activity also reached record levels in 2006. Alberta will need to continue to address the consequences of high growth levels and manage the impacts on Albertans.

***Capacity and Expertise*** – The Ministry faces strong competition from the energy industry when recruiting and retaining skilled employees. The energy business is complex and knowledge intensive, requiring expertise and skill. Ministry employees typically develop skills that are attractive to industry. The Ministry is experiencing increased turnover and greater difficulty in finding technical and professional people with the required skills and knowledge to maintain technical competency and fulfill our mandate.

## STRATEGIC PRIORITIES 2007-10

Through the Ministry's review of external and internal challenges, the strategic priorities described below have been identified. These are in addition to the important ongoing core activities of the Ministry.

### GOVERNMENT PRIORITY – MANAGE GROWTH PRESSURES

| | |
|---|---|
| **1. Comprehensive Energy Strategy**<br>**Linkage: Goals 1, 2, 3, 4, 5, 6 and 7** | Work with other government Ministries and industry to build on Alberta's integrated energy vision to develop comprehensive strategies for the development of Alberta's renewable and non-renewable energy sources and for the conservation of energy use. |

| | |
|---|---|
| 2. **Alberta's Electricity System**<br>**Linkage: Goals 5 and 6** | Develop recommendations to ensure the effective operation of Alberta's electricity system to meet Alberta's growing needs. |
| 3. **Provincial Land-use Framework**<br>**Linkage: Goals 2, 3, 4 and 6** | Work with other ministries to develop a Land-use Framework for the province to address conflicts over competing uses of land and provide a vision for an integrated sustainable land use approach that addresses economic, environmental and social concerns. |
| 4. **Sustainable Resource and Environmental Management**<br>**Linkage: Goals 2, 3, 4, 5 and 6** | Continue to partner with Environment, Sustainable Resource Development and other ministries and stakeholders to improve sustainable resource and environmental management. This will include developing integrated sustainable resource and environmental management policies and regulatory processes, and improved coordination/integration of inter-departmental operations. |

### GOVERNMENT PRIORITY – BUILD A STRONGER ALBERTA

| | |
|---|---|
| 5. **Value Added Strategy**<br>**Linkage: Goals 2 and 4** | Develop a strategy to increase value added opportunities from Alberta's energy resources. |
| 6. **Royalty Review**<br>**Linkage: Goal 1** | Support a review of Alberta's royalties by providing information and analysis as required. |

## CORE BUSINESSES, GOALS, STRATEGIES & PERFORMANCE MEASURES

### Core Business One: Securing Benefits for Albertans – *Secure Albertans' share and benefits from energy and mineral resource development*

This core business includes all Department operations involved in the calculation, assessment, collection, and audit of royalties, freehold mineral taxes and other revenue from the energy and mineral industry. It includes all Alberta Petroleum Marketing Commission operations related to the marketing and sale of the Crown's in-kind oil royalty share. The core business also includes the Department's analysis and review of existing royalty features and systems and the development of revised or new royalty policy and features. It also includes tenure operations involved in disposition of Crown mineral rights, including: the posting and sale of oil sands, petroleum and natural gas, and other mineral rights, issuing and maintaining mineral rights agreements; reviewing well licenses and oil sands projects and handling transfers and continuations of leases.

GOAL ONE

1

### Optimize Albertans' resource revenue share and benefits from the development of their energy and mineral resources over the long term

**What it means** Albertans receive their share of energy and mineral resource development through royalties, rentals and bonuses paid by industry and collected by the Ministry. Alberta's resource development system is designed to capture a fair share of industry revenue from the development of provincial resources, while ensuring industry retains sufficient revenue to continue to invest in the future development of these resources. In 2005-06 non-renewable resource revenue accounted for about 40 per cent of the

Government of Alberta's total revenue. Other benefits from a strong energy industry include jobs, business opportunities, investment and innovative technologies and research.

**Strategies**

1.1 The Ministry will continue to review royalty regimes and recommend changes needed to address changing economic circumstances and opportunities and will support a government mandated external review of royalties by providing information and analysis as required.

1.2 Improve assurance of the completeness and accuracy of well and production data and continue to provide clear communication to industry with regard to filing information and accurate reporting to reduce the number of audit amendments.

1.3 Continue to develop, maintain, enhance and manage in-house the Ministry's information technology systems and infrastructure that are critical to ensuring Albertans continue to receive their share of resource revenue.

| Performance Measures | Last Actual (year) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 1.a **Sharing the Revenue from Resource Development:** Crown Revenue Share – portion of oil and gas industry's annual net operating revenue that is paid to the Crown as royalty (three-year moving average)[1] | 19%<br>(2005) | 20-25%<br>(2007) | 20-25%<br>(2008) | 20-25%<br>(2009) |
| 1.b **Audit adjustments to industry filing and reporting**: Absolute adjustments as a percentage of Department resource revenue (three-year moving average)[2] | 2.4%<br>(2005-06) | Less than 2.0% | Less than 2.0% | Less than 2.0% |

**Notes:**

1 **This measure is under review by the department and any proposed changes will be informed by the findings of the public review of royalties.**
This measure aggregates results from conventional oil, natural gas, and oil sands royalties. It is intended to indicate overall performance and not the performance of individual royalty programs. The Alberta government also receives bonuses from the sale of Crown mineral rights. These are not included in the measure. Bonuses collected by the Department amounted to $3.49 billion in 2005-06.

2 The measure is based on absolute adjustments which reflect total error rates.

**Sources:**

1.a Canadian Association of Petroleum Producers (CAPP) and Alberta Department of Energy
2.b Alberta Department of Energy

## Core Business Two: Resource Development – *Ensure Alberta's energy and mineral resources remain accessible, competitive and attractive to investment and development*

This core business includes all Department operations involved in managing the development of Crown energy and mineral resources and attracting investment. It includes work undertaken to promote development in Alberta, maintain access to the resources, and encourage development of new technologies, new sources of energy (including renewables) and energy efficiency and conservation. It also involves monitoring and assessing the competitiveness of Alberta's energy and mineral development policies to ensure Alberta continues to attract investment.

GOAL TWO 2

## Maintain the competitiveness of Alberta's energy and mineral resources

**What it means** Global demand for energy and growing recognition of Alberta's vast energy potential means increasing interest in Alberta as a place to invest in energy development. Alberta maintains competitive fiscal and regulatory regimes that are intended to attract industry investment and ensure that Albertans, the resource owners, benefit from resource development. Predictability, certainty, stability, and an efficient regulatory system combined with an extensive energy infrastructure and ready market access are all features that make Alberta a strong competitor for industry investment. The Ministry is the principal advocate nationally and internationally for Alberta's interests and rights to develop and manage energy and mineral resources.

**Strategies**

2.1 Work in partnership with Alberta Environment and Sustainable Resource Development to implement improved integration of upstream oil and gas policy and regulatory integration that results in regulatory processes that are effective, efficient and timely.

2.2 Contribute to the development of a Provincial Land-use Framework.

2.3 Lead Alberta's strategic participation in regional, national and international energy initiatives, promoting energy trade, development of North American electric reliability standards, provincial participation in international energy discussions and negotiations, and improved access to international markets.

2.4 Advocate for optimal tolls, tariffs and access to existing and new pipelines and wires that transport Alberta energy resources to North American markets.

2.5 Develop and implement strategies that will maximize benefits to Alberta from northern gas development.

2.6 Maintain jurisdiction over Alberta's energy infrastructure and minimize regulatory duplication arising from overlapping federal and provincial responsibilities.

2.7 Work with other Ministries and stakeholders to update the provincial action plan on climate change.

| Performance Measure | Last Actual (2005) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 2.a **Resource Development**: Upstream industry investment in Alberta – Annual capital expenditure in Alberta on exploration and development of oil, oil sands and gas resources[1] | $35.4 billion | Equal to or greater than $15 billion (2007) | Equal to or greater than $15 billion (2008) | Equal to or greater than $15 billion (2009) |

**Note:**

1 The target for this measure is under review by the department.
Bonuses from the sale of mineral rights are included in this measure as industry includes these as capital expenditures. Bonuses for the calendar year 2005 were $2.3 billion.

**Source:**
Canadian Association of Petroleum Producers

GOAL THREE

# 3 Secure future energy supply and benefits for Albertans, within a growing and competitive global energy marketplace

**What it means** Alberta has long enjoyed an abundant supply of oil and natural gas. In the future, new sources of energy will be developed to ensure Alberta has a continued supply of energy to meet growing Alberta and global demand. New energy sources represent the future and include expanded oil sands production, clean burning coal technologies, coalbed methane and the development of renewable energy sources (wind, hydro, biofuels). There is also significant potential to improve the recovery of existing conventional resources remaining in the ground through technologies such as $CO_2$ injection. Maintaining resource access is essential for future energy development and the Ministry works within the province's framework of sustainable development to maintain or enhance resource exploration and development opportunities in a responsible manner that protects the environment and public safety.

**Strategies**

3.1 Energy will work with other government Ministries and industry to develop a comprehensive strategy for the development of Alberta's renewable and non-renewable energy sources and for the conservation of energy use.

3.2 Develop a long-term strategy for the future development of Alberta's oil sands based on public consultations held by the Multi-Stakeholder Committee in 2006 and 2007.

3.3 Draft a policy framework for the future development of renewable energy sources in Alberta.

3.4 Coordinate the implementation of approved recommendations to enhance regulatory processes and policies for the responsible development of coalbed methane.

3.5 Support the development of a policy framework for $CO_2$ capture, utilization and sequestration and study $CO_2$ supply and demand in Alberta.

3.6 Work with the Alberta Energy Research Institute, the Alberta Agricultural Research Institute, other research organizations and industry, through initiatives such as Energy INet, the Alberta Energy Innovation Fund and the Innovative Energy Technologies Program, to develop an integrated, coordinated approach to research that supports clean coal technology, increased recovery and upgrading of conventional and unconventional resources, $CO_2$ management, water management, and renewable energy development.

3.7 Work with other ministries on initiatives such as the implementation of Water for Life, sustainable resource environmental management, integrated land management, biodiversity strategy, species at risk recovery plans, rural development and regional access management planning initiatives.

3.8 Work with Aboriginal communities, resource developers and other levels of government to create opportunities for Aboriginal people to participate in Alberta's energy economy.

| Performance Measure | Last Actual (2005) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 3.a **Energy Resource Portfolio Diversification**: Production from new sources or extended production from existing sources | | Additional Production | Additional Production | Additional Production |
| **Oil Production (thousands of bbl/d):** | | | | |
| • Extended Oil Recovery | 159 | | | |
| • Oil sands | 966 | | | |
| **Natural Gas Production (Bcf/year):** | | | | |
| • Coalbed Methane[1] | 47 | | | |
| **Electricity Generating Capacity (MW):** | | | | |
| • Natural Gas (cogeneration) | 3,127 | | | |
| • Renewables (hydro, wind, biomass) | 1,361 | | | |

**Note:**

1 Total gas production from all wells with completion in coal seams in 2005 was 102 Bcf. Coalbed methane production from these wells was 47 Bcf.

**Source:**

Alberta Department of Energy and the Alberta Energy and Utilities Board

**Supplemental Information:**

| **Energy Resource Portfolio Diversification:** Production from new sources or extended production from existing sources | Outlook 2010 |
|---|---|
| **Oil Production (thousands of bbl/d):** | |
| • Extended Oil Recovery | 123 |
| • Oil sands | 1,825 |
| **Natural Gas Production** (Bcf/year) | |
| • Coalbed Methane[1] | 463 |
| **Electricity Generating Capacity (MW)** | |
| • Natural Gas (cogeneration) | 4,888 |
| • Renewables (hydro, wind, biomass) | 3,709 |

**Note:**

1 Outlook volume reflects all gas produced from wells completed in coal seams; the outlook for coalbed methane production only is not available.

**Source:**

Alberta Department of Energy and the Alberta Energy and Utilities Board

## GOAL FOUR 4

## Expand value-added energy development in Alberta

**What it means**

The Ministry encourages industrial integration and increased value-added resource upgrading in Alberta. Extracting the most value from our energy resources by increasing the level of processing secures additional benefits for Albertans. The oil sands provide the potential for new refining capacity, and for growing a petrochemical industry based on petroleum. These new opportunities, when combined with Alberta's natural gas liquid based petrochemical industry, create significant potential for more value-added development in Alberta.

**Strategies**

4.1 Develop a strategy to increase value added opportunities from Alberta's energy resources.

4.2 Work with Employment, Immigration and Industry to promote and market Alberta's energy resource development and value-added opportunities to secure new investment, market growth, employment and business opportunities.

| Performance Measure | Last Actual (2005) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 4.a **Upgrading of Bitumen in Alberta:** The share of bitumen upgraded in Alberta, to the total amount of bitumen produced in Alberta (three-year moving average). | 62% | Increasing percent upgraded in Alberta (2007) | Increasing percent upgraded in Alberta (2008) | Increasing percent upgraded in Alberta (2009) |

**Source:**
Alberta Department of Energy and the Alberta Energy and Utilities Board

## Core Business Three: Energy for Albertans – *Ensure Alberta consumers have a choice of reliable and competitively priced energy*

This core business includes all Departmental operations related to policy and market (wholesale and retail) design for electricity as well as retail market design for natural gas. The aim is to provide an efficient, competitive marketplace that maintains reliable energy supplies and provides fair and equitable prices to consumers. It also includes the department's involvement with consumer energy efficiency, conservation and demand management.

GOAL FIVE 5

### Maintain a competitive market framework that provides Albertans with competitively priced and reliable electricity and natural gas

**What it means** Alberta restructured its electricity industry to provide a fair, efficient and openly competitive marketplace that encourages the development of new power generation and offers all consumers choice and reliable supply. Retail natural gas has been open to choice since 1996 and retail electricity since 2001. The Ministry continues to strengthen its provisions for retail consumer choice, working to further harmonize the rules for the natural gas and electricity retail markets. Through the *Natural Gas Price Protection Act*, the Alberta government also shares the benefits of resource ownership with consumers by providing relief from high natural gas prices during periods of high consumption.

**Strategies**

5.1 Develop recommendations to ensure the continuing effective operation of Alberta's electricity system to meet Alberta's growing needs.

5.2 Harmonize the regulatory requirements for electricity and natural gas retail markets to ensure that a consistent set of rules apply to both.

5.3 Research, gather and publish metrics and tools to assess the performance of the retail electricity market.

5.4 Develop metering policy recommendations to support advanced metering technology development for the retail market.

5.5 Implement Alberta's transmission policy in planning, rule-making and tariffs, and facilitate the development of new electricity infrastructure to ensure Albertans continue to receive safe, reliable and open-access service.

5.6 Develop and implement mandatory reliability rules for the North American transmission grid, in collaboration with other governments, the Alberta Electric System Operator and the Alberta Energy Utilities Board.

5.7 Develop an integration framework to allow additional wind resources to be added to the Alberta electric system.

5.8 Work with other ministries and industry to encourage energy efficiency and conservation and the choice of a range of energy sources, including both renewable and non-renewable.

5.9 Participate with government agencies and regulated electricity and natural gas retailers to provide consumers, industry and other government agencies with clear and timely communication to increase consumer understanding of Alberta's competitive marketplace for natural gas and electricity.

| **Performance Measures** | **Last Actual (2005)** | **Target 2007-08** | **Target 2008-09** | **Target 2009-10** |
|---|---|---|---|---|
| 5.a **Power Generation:** Margin (MW) between supply and peak demand[1] | 17% | Maintain a minimum 7% margin over peak load. (2007) | Maintain a minimum 7% margin over peak load. (2008) | Maintain a minimum 7% margin over peak load. (2009) |
| 5.b **Annual Residential Natural Gas Price (ARGP):** Difference between the annual average price Albertans pay for natural gas and the price paid by other Canadian jurisdictions[2] | -$2.36 | Annual ARGP not to exceed annual NRGP (2007) | Annual ARGP not to exceed annual NRGP (2008) | Annual ARGP not to exceed annual NRGP (2009) |

**Notes:**

1 The methodology for this measure has been changed. Wind power is not included as it is not dispatchable on a consistent basis. Tie line capacity is also not included.

2 Methodology and source for determining the difference between ARGP and NRGP has been revised and is now based on Statistics Canada data. National Residential Natural Gas Price (NRGP) is $/GJ. Does not include Alberta's natural gas rebates.

**Sources:**

5.a Alberta Energy and Utilities Board, Alberta Electric System Operator and Alberta Department of Energy

5.b Statistics Canada and Alberta Department of Energy

## Core Business Four: Regulation of Energy Development by the Alberta Energy and Utilities Board – *Ensure that the discovery, development and delivery of Alberta's energy resources and utility services take place in a manner that is fair, responsible and in the public interest*

The Energy and Utilities Board is an independent, quasi-judicial body that regulates the development and delivery of energy resources in Alberta. It also applies technical standards for the safe and reliable operation of energy facilities while having regard for social, economic and environmental effects. The Board conducts inspections to ensure compliance with regulations and provides geo-science information and expertise needed by government, industry and the public. In the utility sector, the Board ensures that regulated electricity and natural gas utilities provide Albertans with reliable service at reasonable prices that also give the owners of regulated utilities an opportunity to recover costs and earn a fair return on their investment.

GOAL SIX

# 6 A regulatory framework for the energy and utility sectors that is fair, responsible and in the public interest

**What it means** The Government of Alberta has established in legislation and policy, a regulatory framework intended to ensure that the discovery, development and delivery of Alberta's energy resources and utility services take place in a manner that is fair, responsible and in the public interest. The development of broad energy policy and oversight of this framework rests with the government, particularly the Minister of Energy, which is responsible for the related legislation. The Alberta Energy and Utilities Board is responsible for implementing the regulatory process within this framework. While the Board reports administratively to the Minister of Energy, its formal regulatory decisions are made independently, in accordance with the governing legislation and regulations. The Board regulates the development and delivery of energy resources in Alberta. It establishes and applies technical standards for the safe and reliable operation of energy facilities while having regard for social, economic and environmental effects, including resource conservation. The Board conducts inspections to ensure compliance with the regulations it administers. It also provides geoscience information and expertise needed by government, industry and the public for the stewardship and development of energy resources in Alberta. In the utility sector, the Board ensures that regulated electricity and natural gas utilities provide consumers with reliable service at just and reasonable prices that also provide the owners of the regulated utilities with a reasonable opportunity of earning a fair return on their investment and recovering their costs. The Board does not regulate the wholesale commodity prices for gas and electricity.

A detailed Energy and Utilities Board Business Plan is available from the Energy and Utilities Board website http://www.eub.gov.ab.ca/docs/eubinfo/BusinessPlan_2007-10.pdf.

**Strategies**

6.1 Participate in the development of an improved regulatory framework for energy development and the role and structure of the Board within this framework.

6.2 Improve the effectiveness and efficiency of decision making processes through improved use of Appropriate Dispute Resolution (ADR) and negotiated settlements, expansion of routine decision processes for areas where the requirements are clear, more efficient utility pre-hearing disclosure and improved non-routine decision making processes used to settle conflicts.

6.3 Maintain high standards of public safety, environmental protection and energy resource conservation by ensuring Board regulatory requirements are relevant, understood and complied with.

6.4 Work with stakeholders to develop sustainable liability management programs which ensure licensees are responsible for decommissioning and abandonment liabilities conflicts.

| Performance Measures | Last Actual (year) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 6.a **Application Resolution:** Percentage of oil and gas facility and resource applications filed with objections resolved (dispositioned or closed) without a hearing[1] | 97%<br>(2005-06) | 95% | 95% | 95% |
| 6.b **Protection of Public Safety:** Percentage of high risk unsatisfactory field inspections of regulatory noncompliance | 1.8%<br>(2005-06) | Less than 3.5% | Less than 3.5% | Less than 3.5% |
| 6.c **Service Standards of Utility Companies:** Percentage of utility companies performance measure results that meet the EUB target for service standards to utility customers | 99%<br>(2005) | 92%<br>(2007) | 94%<br>(2008) | 94%<br>(2009) |

**Note:**

1 Less than 2 per cent of the approximately 54,000 oil and gas facility and resource applications in 2005-06 were filed with objections.

## ORGANIZATIONAL CAPACITY AND EFFECTIVENESS

Successful delivery of the Ministry's core businesses depends on building and maintaining a strong organization with the knowledge and capacity to respond to changing future business and economic circumstances. A separate goal has been established to address this requirement.

### GOAL SEVEN 7 Build an organizational environment for success

**What it means** Organizational capacity and effectiveness addresses the challenge and importance of maintaining and building organizational capacity to respond to changing business needs. Organizational capacity means having the right resources, people, finances, information, technology, processes and tools to deliver the Ministry's mission.

**Strategies**

7.1 Implement human resource development and workforce planning strategies that enable the Ministry to retain, attract and develop our employees to ensure a competent and committed workforce that meets current and future needs. Develop strategies for succession planning, protection of information assets and corporate information and knowledge management and transfer.

7.2 Information will be managed to optimize the value of investment in information assets, support effective operations and improve the delivery of services to Albertans and other stakeholders. Energy will optimize the use of, and access to, its information assets through an integrated and secure electronic environment required by both industry and government.

7.3 Deliver human resource, financial management, information management and technology business solutions that address emerging business needs and technology drivers in support of crucial business operations, and allow the retirement of aged business solutions.

7.4 Provide easily accessible, relevant and high quality data, information, services, knowledge and advice relative to the energy and utility sectors.

| Performance Measure | Last Actual (2005) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 7.a **Industry satisfaction:** | | | | |
| • with Department services | 84% | 80% or higher (2007) | n/a (2008) | 80% or higher (2009) |
| • with Department electronic information management | 90% | 80% or higher (2007) | n/a (2008) | 80% or higher (2009) |

**Note:**
n/a All surveys are conducted every second year.

**Source:**
7.a Banister Research and Consulting

New Performance Measure under development: Availability of data and information for the Alberta Energy Utilities Board.

## EXPENSE BY CORE BUSINESS
(thousands of dollars)

| | Comparable | | | | | |
|---|---|---|---|---|---|---|
| | 2005-06 Actual | 2006-07 Budget | 2006-07 Forecast | 2007-08 Estimate | 2008-09 Target | 2009-10 Target |
| Securing Benefits for Albertans | 45,058 | 48,009 | 48,009 | 54,110 | 54,790 | 56,269 |
| Resource Development | 19,921 | 20,655 | 25,655 | 81,964 | 101,568 | 80,987 |
| Energy for Albertans | 3,461 | 3,804 | 3,804 | 4,822 | 4,925 | 5,014 |
| Regulation of Energy Development | 130,467 | 146,052 | 149,352 | 159,002 | 168,602 | 171,302 |
| **MINISTRY EXPENSE** | 198,907 | 218,520 | 226,820 | 299,898 | 329,885 | 313,572 |

## MINISTRY STATEMENT OF OPERATIONS
(thousands of dollars)

| | Comparable | | | | | |
|---|---|---|---|---|---|---|
| | 2005-06 Actual | 2006-07 Budget | 2006-07 Forecast | 2007-08 Estimate | 2008-09 Target | 2009-10 Target |
| **REVENUE** | | | | | | |
| **Non-Renewable Resource Revenue** | | | | | | |
| Natural Gas and By-Products Royalty | 8,387,920 | 7,146,000 | 5,501,000 | 6,023,000 | 5,233,000 | 4,601,000 |
| Crude Oil Royalty | 1,462,504 | 954,000 | 1,389,000 | 1,060,000 | 927,000 | 815,000 |
| Synthetic Crude Oil and Bitumen Royalty | 950,253 | 1,716,000 | 2,374,000 | 1,795,000 | 1,821,000 | 1,163,000 |
| Bonuses and Sales of Crown Leases | 3,490,142 | 1,479,000 | 2,434,000 | 1,214,000 | 1,119,000 | 1,045,000 |
| Rentals and Fees | 156,222 | 150,000 | 169,000 | 153,000 | 151,000 | 148,000 |
| Coal Royalty | 11,072 | 11,000 | 16,000 | 15,000 | 15,000 | 15,000 |
| Alberta Royalty Tax Credit | (111,453) | (102,000) | (183,000) | - | - | - |
| **Total Non-Renewable Resource Revenue** | 14,346,660 | 11,354,000 | 11,700,000 | 10,260,000 | 9,266,000 | 7,787,000 |
| Freehold Mineral Rights Tax | 334,079 | 386,000 | 319,000 | 333,000 | 352,000 | 307,000 |
| Investment Income | 1,335 | 1,250 | 2,750 | 2,500 | 2,500 | 2,500 |
| Industry Levies and Licences | 74,097 | 82,700 | 84,500 | 89,950 | 95,350 | 96,850 |
| Other Revenue | 40,531 | 10,309 | 11,309 | 10,309 | 10,309 | 10,309 |
| **MINISTRY REVENUE** | 14,796,702 | 11,834,259 | 12,117,559 | 10,695,759 | 9,726,159 | 8,203,659 |
| **EXPENSE** | | | | | | |
| **Program** | | | | | | |
| Ministry Support Services | 1,891 | 1,892 | 1,892 | 2,006 | 2,081 | 2,156 |
| Resource Development and Management | 66,073 | 70,541 | 75,541 | 138,855 | 159,167 | 140,079 |
| Energy and Utilities Regulation | 116,906 | 133,052 | 135,852 | 146,002 | 155,602 | 158,302 |
| Orphan Well Abandonment | 13,561 | 13,000 | 13,500 | 13,000 | 13,000 | 13,000 |
| Valuation Adjustments and Other Provisions | 476 | 35 | 35 | 35 | 35 | 35 |
| **MINISTRY EXPENSE** | 198,907 | 218,520 | 226,820 | 299,898 | 329,885 | 313,572 |
| Gain (Loss) on Disposal of Capital Assets | - | - | - | - | - | - |
| **NET OPERATING RESULT** | 14,597,795 | 11,615,739 | 11,890,739 | 10,395,861 | 9,396,274 | 7,890,087 |

# CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

| | Comparable | | | | | |
|---|---|---|---|---|---|---|
| | 2005-06 | 2006-07 | 2006-07 | 2007-08 | 2008-09 | 2009-10 |
| | Actual | Budget | Forecast | Estimate | Target | Target |
| Ministry Revenue | 14,796,702 | 11,834,259 | 12,117,559 | 10,695,759 | 9,726,159 | 8,203,659 |
| *Inter-ministry consolidation adjustments* | (1,204) | - | (673) | - | - | - |
| **Consolidated Revenue** | 14,795,498 | 11,834,259 | 12,116,886 | 10,695,759 | 9,726,159 | 8,203,659 |
| Ministry Expense | 198,907 | 218,520 | 226,820 | 299,898 | 329,885 | 313,572 |
| *Inter-ministry consolidation adjustments* | (1,204) | - | (673) | - | - | - |
| **Consolidated Expense** | **197,703** | **218,520** | **226,147** | **299,898** | **329,885** | **313,572** |
| Gain (Loss) on Disposal of Capital Assets | - | - | - | - | - | - |
| **CONSOLIDATED NET OPERATING RESULT** | 14,597,795 | 11,615,739 | 11,890,739 | 10,395,861 | 9,396,274 | 7,890,087 |

# Environment

## BUSINESS PLAN 2007-10

## ACCOUNTABILITY STATEMENT

The business plan for the three years commencing April 1, 2007 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as of March 26, 2007 with material economic or fiscal implications of which I am aware have been considered in preparing the business plan.

The Ministry's priorities outlined in the business plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this business plan.

Rob Renner

Rob Renner, *Minister of Environment*
March 29, 2007

## THE MINISTRY

The Ministry of Environment consists of the Department of Environment as the entity for government reporting purposes as well as the Environmental Appeals Board, which is a quasi-judicial board reporting to the Minister. In addition, three Delegated Administrative Organizations report to the Minister and operate with separate board governance and financial management. They are the Alberta Recycling Management Authority, the Beverage Container Management Board and the Alberta Used Oil Management Association.

The Ministry's authority to carry out its mandate is based on the *Environmental Protection and Enhancement Act,* the *Water Act* and the *Climate Change and Emissions Management Act.*

## VISION

*Alberta's environment sustains a high quality of life.*

## MISSION

Alberta Environment assures the effective stewardship of Alberta's environmental systems to sustain a high quality of life.

## LINK TO THE GOVERNMENT OF ALBERTA STRATEGIC BUSINESS PLAN

Environment is committed to achieving the vision of the Government of Alberta's Strategic Business Plan: a vibrant and prosperous province where Albertans enjoy a superior quality of life and are confident about the future for themselves and their children. The key linkage between the Ministry of Environment's 2007-2010 Business Plan and the Government of Alberta Strategic Business Plan is:

**Government of Alberta Strategic Business Plan Goal 3: The high quality of Alberta's environment will be sustained** – The Ministry of Environment contributes to this goal by ensuring Albertans have a safe and sustainable supply of water, by leading Alberta's action on climate change, by leading the development of a new environment and resource management regulatory framework and by co-leading government initiatives for sustainable resource and environmental management. Sustainable resource and environmental management aims for outcome-based management systems, integrated policies and streamlined regulatory processes. Sustainable resource and environmental management also contributes to the government strategic priority for a Land-use Framework.

In addition, the Environment Minister's mandate letter identified three actions of which one supports the Government of Alberta's Priority: **Manage Growth Pressures**. This action is to update Alberta's Climate Change Plan. An updated action plan will outline how the province will reduce greenhouse gas emissions and adapt to a changing climate.

## VALUED BEHAVIOURS

The Ministry's values are reflected in our corporate and individual behaviors. They define how we treat our stakeholders, clients, partners, the public and each other.
**Respect** – We foster an environment in which each individual is valued and heard.
**Integrity** – We behave ethically and are open, honest and fair.
**Accountability** – We are responsible for our actions and for contributing to the effectiveness of the public service.
**Excellence** – We use innovation and continuous improvement to achieve excellence.

## SIGNIFICANT OPPORTUNITIES AND CHALLENGES

The Ministry of Environment is working collaboratively across government and with stakeholders to respond to increasingly complex environmental challenges and risks, such as:

### Greater Public Involvement

The environment is key to Albertans and their high quality of life. Albertans expect government to be environmental leaders and want a larger say both in shaping policy and delivering programs that affect their quality of life.

### Population and Economic Growth

Alberta is experiencing intense economic and population growth. Increased urbanization puts pressure on water supplies and increases waste and air emissions. While the pace and overall scale of development comes with challenges, it also creates opportunities in emerging industry sectors such as innovation and technological advancement to enhance environmental performance and can become part of our economic advantage.

### Responding to Climate Change

As leaders in energy research, carbon capture and storage and climate adaptation, Albertans can significantly contribute to solutions and influence national and international policy in addressing climate change. Current efforts to manage emissions may not stop climate changes for many decades, bringing adaptation to climate change into sharper focus.

### Partnering on Air, Land and Water

Clean air, land and water are increasingly important to Albertans. The Ministry addresses this priority through partnerships such as the Clean Air Strategic Alliance and enhancing the capacity of local communities and partnerships, such as watershed councils and watershed steward groups, to engage Albertans in stewardship and planning.

### Managing Cumulative Impacts

In addition to managing the emissions and impact of individual facilities and sources, Albertans expect the government to ensure that the overall health of the environment is protected, and that the local ecosystem is managed as a whole.

### Environmental Emergencies and Incidents

Significant environmental incidents such as the southern Alberta floods and the Wabamun Lake oil spill of 2005 underscore the Ministry's need to assess and manage environmental risks to reduce their frequency and impact and to ensure that timely response systems are in place. Albertans expect their government to anticipate risks and to respond in a decisive, timely, coordinated and effective manner.

## STRATEGIC PRIORITIES 2007-10

In addition to ongoing core activities, the Ministry has identified the following strategic priorities.

### GOVERNMENT PRIORITY – MANAGE GROWTH PRESSURES

| | |
|---|---|
| **1. Update Alberta's Climate Change Plan**<br>**Linkage: Goals 1 and 2** | Environment will lead the development of an updated action plan to outline how the province will continue to reduce greenhouse gas emissions and adapt to a changing climate. The initiatives and actions outlined in the *Albertans & Climate Change: Taking Action* strategy are scheduled for completion in early 2007. Following the conclusion of this first-in-Canada strategy, Environment will consult on a comprehensive strategy to continue to address the impacts of climate change, with a particular focus on mitigation and adaptation. |
| **2. Renew and resource the Water for Life Strategy**<br>**Linkage: Goals 1 and 2** | Environment will continue to drive the vision and implementation of this ambitious strategy while working with the Alberta Water Council to renew the strategy and identify adjustments to the short, medium and long term action. The renewal will particularly focus on building capacity with our partners, addressing the increasing pressures on groundwater as a result of resource development and urbanization and implementing the recent closure of surface water basins in southern Alberta. |
| **3. Develop a new environment and resource management regulatory framework to enable sustainable development by addressing the cumulative effects of development on the environment**<br>**Linkage: Goal 6** | Environment will lead the development of a new regulatory framework to collaboratively define and implement environmental outcomes that address the regional cumulative impact of multiple developments on air, water, land and biodiversity. This new framework will ensure that outcomes for environmental health are set in a transparent and inclusive manner, and that development decisions are made based on the best information. |

| | |
|---|---|
| **4. Effectively manage the cumulative effects of oil sands development and upgrading on the environment**<br>**Linkage: Goals 1, 2, 3 and 6** | Environment will lead the development of an Oil Sands Environmental Management Division to ensure cumulative effects are managed effectively and ensure Alberta is a leader in environmentally sustainable development provincially, nationally and internationally. This will ensure that Alberta's oil sands, which are a unique resource, have a unique, world-class system of environmental management to ensure they are developed responsibly and cumulative effects are managed. |
| **5. Develop a comprehensive Alberta Air Quality Strategy**<br>**Linkage: Goals 2 and 4** | Environment will, in partnership with the Clean Air Strategic Alliance, develop a comprehensive Alberta Air Quality Strategy to address emerging air quality challenges and keep our air clean. Increasing population, urban and industrial growth are resulting in air quality challenges that, if not properly managed, could threaten Alberta's air quality and reputation as a national leader in air management. |
| **6. Implement sustainable resource and environmental management**<br>**Linkage: Goals 1, 2, 3, 4, 5 and 6** | Environment will continue to work together with Sustainable Resource Development, Energy and with other ministries and stakeholders to improve sustainable resource and environmental management. This will include developing integrated sustainable resource and environmental management policies, regulatory processes and improved coordination/integration of inter-departmental operations. |
| **7. Land-use Framework**<br>**Linkage: Goal 2** | Environment will work with other government ministries to complete the Land-use Framework to allow the province to address conflicts over competing uses of land and provide a vision for an integrated sustainable land use approach that balances economic, environmental and social concerns. This framework, combined with *Water for Life: Alberta's Strategy for Sustainability*, will help ensure environmental sustainability is maintained. |
| **8. Enhance staff capability**<br>**Linkage: Goal 2** | Environment will ensure staff are engaged, enabled and empowered to achieve the organization's mission and goals. The Ministry's People Plan is focused on helping all staff enhance their leadership, strategic knowledge and capacity to manage risk. |

# CORE BUSINESSES, GOALS, STRATEGIES & PERFORMANCE MEASURES

## Core Business One: Safeguarding Public and Environmental Health

There is an integral relationship between public health and the state of the environment. The Ministry helps assure both public and environmental health for present and future generations of Albertans through drinking water, monitoring and evaluation, standards, climate change, innovation and policy, reclamation and emergency preparedness and integrated information solutions programs.

GOAL ONE 1

### The Ministry has effective risk management, preparation and responses to events and emerging and complex issues

**What it means** The Ministry and its partners have to be aware of and manage environmental risks and opportunities. To do this, Environment advises the Government of Alberta, municipalities and Albertans about emerging environmental issues and related threats to environmental and public health and safety. Working with Emergency Management Alberta, the Ministry also helps plan hazard reduction and risk management with stakeholders. If required, the Ministry will also take part in, or direct, emergency response activities that could have an impact on our air, land and/or water.

**Strategies**

1.1 Identify, understand and improve awareness of existing and emerging issues that could lead to significant incidents and emergencies in the province.

1.2 Develop and implement a comprehensive framework that integrates risk management into strategic decision-making, priority setting and operational and policy responses.

1.3 Develop and implement comprehensive environmental emergency response systems that involve all agencies and stakeholders in the emergency response community, and identify high-risk industries and areas of Alberta.

1.4 Conduct a risk assessment for groundwater protection and management across the province to identify areas and sectors requiring enhanced groundwater management, including areas potentially affected by oil sands and coalbed methane developments.

1.5 Develop a climate change adaptation risk management framework that builds on the adaptation vulnerability assessment and integrates with the Ministry's comprehensive risk management framework.

1.6 Provide and improve tools that support flood risk avoidance and warning for communities.

| Performance Measures | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 1.a **Drinking Water Safety Indicator:**[1] | | | | |
| • **Facility Design Standards** – Measures the percentage of facilities meeting current facility design standards | 78% | 84% | 87% | 90% |
| • **Facility Operational Requirements** – Measures the number of incidents where regulatory requirements have not been met that could lead to water quality incidents | 35 | 20 | 15 | 10 |
| • **Water Quality** – Measures the number of water quality incidents | 60 | 40 | 35 | 30 |

**Note:**

[1] Evaluates performance of facilities delivering safe drinking water, and demonstrates continuous improvement of facilities, in the way facilities are operated, and reporting on analytical results.

**New performance measure under development:**

- **Environmental Emergencies Response Indicator** – Measures the response by Alberta Environment Support and Emergency Response Team to environmental emergencies within established timelines.

GOAL TWO

2

## The Ministry and its partners have the required policies and programs to achieve the Government of Alberta environmental outcomes

**What it means** In order to set and achieve environmental outcomes the Ministry and its partners must continue to develop and implement innovative policy. By working with partners, the overall Government of Alberta's environmental and resource management needs are addressed in a coordinated way across ministries with policies integrated and updated, as required, to reach environmental goals.

**Strategies**

2.1 Work with partners to develop and deliver integrated policy advice to the Government of Alberta on emerging environmental and sustainable development issues, key risks and opportunities.

2.2 Work with other ministries and stakeholders to implement a cross-ministry framework for integrated policy development and establish a policy community or network of practice.

2.3 Strengthen stakeholder ability to participate in policy and planning processes.

2.4 Implement the Ministry workplace culture, learning and development and succession planning frameworks to enable employees to achieve the business plan goals.

2.5 Support the development of a Land-use Framework that articulates a long-term vision for land use in the province in collaboration with Sustainable Resource Development, other government ministries and with input from Albertans.

2.6 In partnership with the Clean Air Strategic Alliance, develop a comprehensive Alberta Air Quality Strategy to address emerging air quality challenges.

2.7 Develop and implement innovative, integrated policy in partnership with other ministries and stakeholders. Areas of focus include:

- oil sands development and upgrading;
- upstream oil and gas;
- air quality issues arising from increasing urbanization and industrial growth; and
- waste reduction and diversion and resource conservation.

2.8 Continue to update and implement the provincial climate change plan, *Albertans & Climate Change: Taking Action* focusing on:

- completion and implementation of greenhouse gas regulations for large industrial emitters;
- identifying opportunities to accelerate carbon capture and storage;
- completion and implementation of climate change vulnerability assessment; and
- renewal of the existing climate change action plan.

2.9 Renew, resource and implement *Water for Life: Alberta's Strategy for Sustainability,* with a focus on:

- developing shared governance and watershed planning frameworks as a foundation for our changing approach to water management;
- developing policy and economic instruments to promote water conservation, efficiency and productivity;
- providing transparent web-based access to information on surface and groundwater allocations and use; and
- partnering with stakeholders to set instream flow requirements, groundwater and water quality objectives in key watersheds.

2.10 Implement the recommendations of the South Saskatchewan River Basin Water Management Plan to obtain better water use information, optimize reservoir operations and encourage innovative water conservation initiatives to reduce the risk of future water shortages in the basin.

2.11 Implement a system to effectively manage the cumulative effects of oil sands development and upgrading on Alberta's environment.

**New performance measures under development:**

- **Policy Integration Indicator** – Percentage of proposed government policies and programs that have been assessed/developed to ensure policy alignment among resource and environmental management ministries.
- **Policy Capacity Indicator** – Percentage of ministry staff and partners that have received policy training.

## Core Business Two: Leading and Enabling Citizens, Communities, Governments and Industry to be Environmental Stewards

Environmental stewardship is a shared responsibility of citizens, communities, governments and industry. Sharing timely and credible information about the environment helps all Albertans make informed decisions. Ministry programs that support this include Water for Life, educational awareness and intergovernmental relationships and partnerships.

### GOAL THREE 3 Albertans are aware of and understand existing and emerging environmental threats and opportunities

**What it means** The Ministry will enhance its sharing of information and knowledge about the state of the environment and emerging issues with Albertans. By gathering and disseminating information in an effective, accurate manner and using knowledge networks for monitoring and reporting, the Ministry will help Albertans become more informed environmental stewards. This will involve information-sharing partnerships with a variety of public agencies and non-government organizations.

**Strategies**

3.1 Work with partners to develop an integrated monitoring strategy to increase environmental monitoring and information gathering and reporting capabilities for environmental conditions and performance across the province.

3.2 Continue to deliver and improve the State of the Environment reporting and enhance its relevance to Albertans.

3.3 Enhance public awareness and understanding of environmental issues through public outreach and programs, and enable Albertans to take action.

**New performance measure under development:**

- **Annual public opinion survey** – Measures Albertans' awareness and understanding of environmental issues, State of the Environment trends, priorities and actions.

GOAL FOUR 4

## Communities, governments and industry support stewardship of the environment through innovative initiatives

**What it means** The Ministry encourages and supports environmental stewardship by working in a wide variety of partnerships to enable environmental entrepreneurship and innovation.

**Strategies**

4.1 Grow the ability of communities to define roles and responsibilities, assess needs, develop products, build capacity, and evaluate programs to support stewardship of the environment in the areas of watershed management, airshed management, cumulative effects management, monitoring and reporting and waste reduction.

4.2 Support formal and informal partnerships with other Government of Alberta ministries, stakeholders, Aboriginal communities, municipalities and other governments to achieve common environmental objectives.

4.3 Guide the development and support the activities of stewardship organizations including Watershed Planning and Advisory Councils, Watershed Stewardship Groups, and airshed groups.

| Performance Measures | Last Actual (year) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 4.a **Beverage container return rate:** Measures the return rate of beverage containers each year based on sales and returns | 78% (2005) | 85% | 85% | 85% |
| 4.b **Used oil recovery rate:** Measures the recovery rate of used oil each year expressed as a percentage of the estimated volume of recoverable oil and quantity recovered | 77% (2005) | 77% | 78% | 79% |
| 4.c **Municipal solid waste to landfills:** Measures Alberta's progress towards meeting continuous reduction of municipal solid waste placed in landfills as measured in kilograms of waste per capita. Annual targets will be based on a 2010 goal to reduce waste disposed in landfills to 500 kilograms per capita | 806 kg per capita (2005) | 800 kg per capita | 700 kg per capita | 650 kg per capita |
| 4.d **Electronic recycling:** Measures the total tonnage of electronics collected and processed annually. Targets are set to achieve maximum recoverable volumes | 5,941 tonnes (2005-06) | 11,386 tonnes | 15,663 tonnes | 18,795 tonnes |
| 4.e **Tire recycling**: Measures the total tonnage of scrap tires collected and processed annually. Targets are set to achieve maximum recoverable volumes | 47,686[1] tonnes (2005-06) | 45,800 tonnes | 46,100 tonnes | 47,000 tonnes |

**Note:**

[1] One time stockpiling processing

**Sources:**

4.a Beverage Container Management Board
4.b Alberta Used Oil Management Association
4.d Alberta Recycling Management Authority

**New performance measures under development:**

- **Percent of Albertans that describe themselves as actively engaged in energy, waste or water conservation** – Measures percentage of respondents who describe themselves as active in energy conservation, water conservation or waste conservation.
- **Industries/Companies Implementing Stewardship** – Measures the number of industries and companies demonstrating that they are practicing environmental stewardship.

## Core Business Three: Leading and Supporting the Development and Maintenance of Critical Regulatory Systems and Environmental Infrastructure

The Ministry is committed to develop and maintain critical capital and regulatory environmental infrastructure, alone or through its partners. Programs that support this are integrated resource management, approvals, compliance and enforcement, water operations, oil sands innovation and policy, oil sands operations, emergency response and ministry support services.

GOAL FIVE

### 5 Environmental infrastructure is developed and sustained to meet the Government of Alberta needs

**What it means** Albertans depend on a variety of environmental infrastructure. Some infrastructure systems, such as drinking water, are critical to ongoing public health and safety. Others, like water management infrastructure, have important economic significance and are critical to the achievement of *Water for Life: Alberta's Strategy for Sustainability* objectives. The Ministry monitors and reports to the Government of Alberta and other stakeholders, such as municipalities, on the adequacy of the infrastructure to ensure that it continues to meet evolving standards and requirements, and will meet the needs of Albertans long into the future. The Ministry also assesses the needs and manages the physical components of provincially owned environmental infrastructure.

**Strategies**

5.1 Plan for and support Alberta's water infrastructure sustainability including operating and maintaining provincially owned infrastructure (dams, canals, weirs, diversions, drains, etc.) and ensure that privately owned water management infrastructure is safe.

5.2 Participate in the Capital Planning Initiative to sustain environmental management infrastructure and environmental monitoring systems.

5.3 Work with municipalities and other ministries to respond to needs for infrastructure enhancements like drinking water, wastewater and waste diversion infrastructure systems, with an emphasis on development of regional systems.

5.4 Develop and maintain knowledge systems to support Government of Alberta ministry and stakeholder environmental management opportunities.

| Performance Measures | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 5.a **Effective Water Management Infrastructure:** Measures the | | | | |
| • utilization | 99.78% | 99% | 99% | 99% |
| • functional adequacy | 95.09% | 95% | 95% | 95% |
| • physical condition of provincially owned water management infrastructure[1] | Good 95.55%<br>Fair: 6.14%<br>Poor: 0.86% | Good: 93%<br>Fair: 7%<br>Poor: 0% | Good: 93%<br>Fair: 7%<br>Poor: 0% | Good: 93%<br>Fair: 7%<br>Poor: 0% |

**Note:**

[1] "Good" is defined as adequate for intended use and expected to provide continued service life with average maintenance. "Fair" means aging components are nearing the end of their life cycle and require additional expenditure for renewal or refurbishing. "Poor" means upgrading is required to comply with minimum codes or standards and deterioration has reached the point where major repairs or replacement are necessary.

GOAL SIX

6

## Government of Alberta has a comprehensive, risk-based and flexible set of regulatory and non-regulatory tools and incentives to achieve environmental outcomes

**What it means** The Ministry is working actively with other ministries and stakeholders to review and update Alberta's environmental regulatory and non-regulatory systems and look for new approaches to achieve environmental outcomes.

### Strategies

6.1 Lead the development of a new regulatory framework to collaboratively define and implement environmental outcomes that address the regional cumulative impact of multiple developments on air, water, land and biodiversity.

6.2 Enhance the Ministry's legislative development process to ensure timely identification and development of legislation to support progressive and innovative environmental management solutions.

6.3 Develop a range of flexible non-regulatory tools and incentives to ensure, encourage, support and reward 'beyond compliance' environmental performance.

6.4 Continue to develop and implement system improvements for remediation and reclamation.

6.5 Implement a greenhouse gas regulatory system.

**New performance measure under development:**

- **Number of regulatory and non-regulatory tools under development** – Measures the number of new regulatory and non-regulatory tools that are under development. The full range of tools includes innovative regulation, market-based instruments/fiscal reform, cooperative management agreements, disclosure of information and voluntary stewardship programs/corporate social responsibility.

# EXPENSE BY CORE BUSINESS
(thousands of dollars)

| | Comparable | | | | | |
|---|---|---|---|---|---|---|
| | 2005-06 Actual | 2006-07 Budget | 2006-07 Forecast | 2007-08 Estimate | 2008-09 Target | 2009-10 Target |
| Safeguarding Public and Environmental Health | 47,565 | 46,398 | 46,398 | 46,983 | 46,872 | 47,933 |
| Leading and Enabling Citizens, Communities, Governments and Industry to be Environmental Stewards | 17,248 | 21,018 | 29,818 | 27,214 | 27,866 | 24,136 |
| Leading and Supporting the Development and Maintenance of Critical Regulatory Systems and Environmental Infrastructure | 75,529 | 75,249 | 78,349 | 90,169 | 94,542 | 92,882 |
| **MINISTRY EXPENSE** | 140,342 | 142,665 | 154,565 | 164,366 | 169,280 | 164,951 |

# MINISTRY STATEMENT OF OPERATIONS*
(thousands of dollars)

| | Comparable | | | | | |
|---|---|---|---|---|---|---|
| | 2005-06 Actual | 2006-07 Budget | 2006-07 Forecast | 2007-08 Estimate | 2008-09 Target | 2009-10 Target |
| **REVENUE** | | | | | | |
| Internal Government Transfers | 3,957 | 4,225 | 4,225 | 4,275 | 3,175 | 3,175 |
| Premiums, Fees and Licences | 2,658 | 3,738 | 3,738 | 4,313 | 5,713 | 5,953 |
| Other Revenue | 5,224 | 1,098 | 1,598 | 3,248 | 3,248 | 3,248 |
| **MINISTRY REVENUE** | 11,839 | 9,061 | 9,561 | 11,836 | 12,136 | 12,376 |
| **EXPENSE** | | | | | | |
| **Program** | | | | | | |
| Ministry Support Services | 11,163 | 12,027 | 12,027 | 12,374 | 12,729 | 13,408 |
| Environmental Assurance: | | | | | | |
| Drinking Water | 1,596 | 1,748 | 1,748 | 1,836 | 1,892 | 1,952 |
| Monitoring and Evaluation | 17,360 | 18,741 | 18,741 | 19,357 | 19,749 | 20,169 |
| Standards | 5,478 | 5,770 | 5,770 | 6,078 | 6,274 | 6,484 |
| Climate Change | 4,936 | 3,600 | 3,600 | 3,688 | 3,744 | 3,804 |
| Innovation and Policy | 11,121 | 10,247 | 10,247 | 10,599 | 10,823 | 11,063 |
| Integrated Information Solutions | 3,617 | 2,567 | 2,567 | 1,650 | 1,715 | 1,786 |
| Reclamation and Emergency Preparedness | 3,457 | 3,725 | 3,725 | 3,775 | 2,675 | 2,675 |
| Environmental Stewardship: | | | | | | |
| Intergovernmental Relationships and Partnerships | 8,450 | 3,642 | 10,042 | 5,930 | 5,986 | 6,046 |
| Educational Awareness | 3,260 | 8,566 | 8,566 | 8,830 | 8,998 | 9,178 |
| Water for Life | 5,538 | 8,810 | 11,210 | 12,454 | 12,882 | 8,912 |
| Environmental Management: | | | | | | |
| Integrated Resource Management | 6,660 | 5,961 | 5,961 | 6,218 | 6,381 | 6,556 |
| Approvals | 12,979 | 13,226 | 13,226 | 13,734 | 15,610 | 16,560 |
| Compliance and Enforcement | 9,175 | 8,206 | 8,206 | 8,617 | 8,811 | 9,042 |
| Water Operations | 12,106 | 11,987 | 12,487 | 14,533 | 14,785 | 15,055 |
| Emergency Response | - | 1,390 | 1,390 | 1,441 | 1,474 | 1,509 |
| Amortization of Capital Assets | 19,284 | 20,061 | 20,061 | 21,261 | 22,361 | 22,361 |
| Oilsands Environmental Management: | | | | | | |
| Oilsands Innovation and Policy | - | - | - | 6,000 | 6,000 | 6,000 |
| Oilsands Operations | 1,906 | 2,292 | 4,892 | 5,892 | 6,292 | 2,292 |
| Valuation Adjustments and Other Provisions | 2,256 | 99 | 99 | 99 | 99 | 99 |
| **MINISTRY EXPENSE** | 140,342 | 142,665 | 154,565 | 164,366 | 169,280 | 164,951 |
| Gain (Loss) on Disposal of Capital Assets | (42) | - | - | - | - | - |
| **NET OPERATING RESULT** | (128,545) | (133,604) | (145,004) | (152,530) | (157,144) | (152,575) |

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* The Climate Change and Emissions Management Fund is identified by section 10 of the *Climate Change and Emissions Management Act*. Proclamation of this section and regulations are required for this entity to begin operations. Consequently, budget information is not available and has not been included.

# CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

| | Comparable | | | | | |
|---|---|---|---|---|---|---|
| | 2005-06 Actual | 2006-07 Budget | 2006-07 Forecast | 2007-08 Estimate | 2008-09 Target | 2009-10 Target |
| Ministry Revenue | 11,839 | 9,061 | 9,561 | 11,836 | 12,136 | 12,376 |
| *Inter-ministry consolidation adjustments* | (3,957) | (4,225) | (4,225) | (4,275) | (3,175) | (3,175) |
| **Consolidated Revenue** | 7,882 | 4,836 | 5,336 | 7,561 | 8,961 | 9,201 |
| Ministry Expense | 140,342 | 142,665 | 154,565 | 164,366 | 169,280 | 164,951 |
| *Inter-ministry consolidation adjustments* | - | - | - | - | - | - |
| **Consolidated Expense** | **140,342** | **142,665** | **154,565** | **164,366** | **169,280** | **164,951** |
| Gain (Loss) on Disposal of Capital Assets | (42) | - | - | - | - | - |
| **CONSOLIDATED NET OPERATING RESULT** | (132,502) | (137,829) | (149,229) | (156,805) | (160,319) | (155,750) |

# Executive Council

## BUSINESS PLAN 2007-10

## ACCOUNTABILITY STATEMENT

The business plan for the three years commencing April 1, 2007 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as of March 26, 2007 with material economic or fiscal implications of which I am aware have been considered in preparing the business plan.

The Ministry's priorities outlined in the business plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this business plan.

Ed Stelmach

Ed Stelmach, *Premier*
March 29, 2007

## THE MINISTRY

The Ministry of Executive Council consists of the Department of Executive Council, and includes the following:

**Office of the Premier/Executive Council**

- Office of the Premier provides planning, communications and administrative support to Office of the Premier in Edmonton and Calgary.
- Office of the Deputy Minister provides advice and support to the Premier on policy and organizational issues and leadership to the Alberta Public Service.
- Cabinet Coordination Office provides organizational and administrative support and advice to Cabinet and its key committees.
- Policy Coordination Office delivers long-term strategic planning and policy coordination for government and promotes cross-ministry coordination in the implementation of strategic priorities.
- Protocol Office plans and coordinates international visits and provincial government ceremonial events and manages Government House operations.
- Executive Council also provides administrative and communications support to the Office of the Lieutenant Governor and the Alberta Order of Excellence Council.

**Public Affairs Bureau**

- Helps government communicate with Albertans by assigning staff to communications branches across government, develops communications for government's long-term strategic plans and priority initiatives, supports internal government communications and coordinates advertising and the corporate identity program.
- Provides Albertans with two-way access to government through central communications and information resources, including the Alberta government home page and a centralized online feedback and question service.
- Ensures effective and timely communications with Albertans during public emergencies.

## VISION

*We are recognized leaders in the delivery of sound public sector management and a centre of communications excellence.*

## MISSION

To ensure effective strategic planning and policy coordination across government and to facilitate clear, two-way communications with Albertans.

## VALUES

Executive Council champions the Alberta Public Service Vision and Values.

Vision: Alberta's Public Service – proudly working together to build a stronger province for current and future generations.

Values:

- Respect – we foster an environment in which each individual is valued and heard.
- Accountability – we are responsible for our actions and for contributing to the effectiveness of the public service.
- Integrity – we behave ethically and are open, honest and fair.
- Excellence – we use innovation and continuous improvement to achieve excellence.

## LINK TO THE GOVERNMENT OF ALBERTA STRATEGIC BUSINESS PLAN

Executive Council is linked to *Government of Alberta Strategic Business Plan* Goal 4: Alberta will have a financially stable, open and accountable government and maintain its strong position nationally and internationally. The Ministry contributes to this goal by improving the accountability, transparency and governance of government agencies, boards and commissions, developing democratic reforms that support open and accountable government and taking a coordinated approach to policy development and government communications. Executive Council's strategic priorities to establish a Board Governance Review and develop democratic reforms support Government Priority 1 (Govern with Integrity and Transparency).

## SIGNIFICANT OPPORTUNITIES AND CHALLENGES

The Government of Alberta is recognized as a leader and for having an innovative public service which provides high quality policy analysis and advice to support elected officials. The environment in which policy making and strategic planning occur is becoming increasingly complex as issues which frequently extend across multiple sectors demand increased coordination. Executive Council staff support decision-makers and ministries by facilitating a collaborative approach for strategic planning and policy development across government. This provides an opportunity to enhance policy capacity and cross-ministry collaboration and to ensure consistency with overall government strategic direction. As the nature of government organization and service delivery continues to change and evolve, there is a need to review the structure and effectiveness of government agencies, boards and commissions. Executive Council will take the opportunity to establish a governance review to recommend how the government can improve governance, accountability and transparency of Government of Alberta agencies, boards and commissions.

The structure of the Public Affairs Bureau, with communications staff assigned to all government ministries, offers advantages and opportunities to coordinate government communications. The implementation of a strategic communications plan and corporate communications policy for the Government of Alberta, along with continued collaboration with the Policy Coordination Office, will enhance efforts to ensure that government communications with Albertans and government staff are as consistent, meaningful, well coordinated and timely as possible. The result will be targeted and strategic two-way communications that allow government to assess public needs and expectations while ensuring that Albertans enjoy easy access to information about their immediate priorities and government's long-term plans.

## STRATEGIC PRIORITIES 2007-10

Through the Ministry's review of external and internal challenges, the strategic priorities described below have been identified. These are in addition to the important ongoing core activities of the Ministry.

### GOVERNMENT PRIORITY – GOVERN WITH INTEGRITY AND TRANSPARENCY

| | |
|---|---|
| **1. Establish a Board Governance Review**<br>**Linkage: Goal 1** | Establish a Board Governance Review to provide recommendations on how the Government of Alberta can improve the transparency, accountability and governance of its agencies, boards and commissions. |
| **2. Develop democratic reforms**<br>**Linkage: Goal 1** | Develop democratic reforms that include opportunities for all-party committees to work together to better serve Albertans. |
| **3. Enhance policy capacity**<br>**Linkage: Goal 1** | Strengthen policy support to government and facilitate enhanced policy development capacity in the public service. |
| **4. Implement a strategic communications plan for government**<br>**Linkage: Goal 2** | Implement a strategic communications plan to enhance the quality, coordination and consistency of government communications and provide Albertans with improved avenues to access information and give feedback. |
| **5. Implement a corporate communications policy for government**<br>**Linkage: Goal 2** | Implement a corporate communications policy for the Government of Alberta. |

# CORE BUSINESSES, GOALS, STRATEGIES & PERFORMANCE MEASURES

## Core Business One: Support strategic planning, policy development and decision-making for the Government of Alberta

### GOAL ONE 1 Government policy and planning are coordinated and effective

**What it means** Decision-makers need comprehensive and coordinated policy and planning advice and analysis in order to make strategic decisions. Ministries need analytical and coordination support to ensure that initiatives align with the overall vision and goals for government. Achieving this goal ensures that decision-makers and ministries are provided with the appropriate context and support to meet our government vision and goals.

**Strategies**

1.1 Coordinate policy development across government, ensuring alignment with government direction, and provide advice and analysis to support policy development.

1.2 Establish a Board Governance Review to provide recommendations on how the Government of Alberta can improve the transparency, accountability and governance of its agencies, boards and commissions.

1.3 Develop democratic reforms that include opportunities for all-party committees to work together to better serve Albertans.

1.4 Coordinate the government strategic planning process and promote cross-ministry coordination in the implementation of strategic priorities.

1.5 Strengthen policy support to government and facilitate enhanced policy development capacity in the public service.

1.6 Organize and coordinate planning and policy meetings that take place within the senior decision-making processes of government.

**Performance Measures**

Performance measure is under development.

## Core Business Two: Help government ministries communicate with Albertans

GOAL TWO **2**

### Albertans receive clear, consistent and timely communications about government programs and have convenient access to the government information they need

**What it means** Albertans have said they want comprehensive, two-way communications about government programs and services that matter most to them. They also have a right to receive clear facts about the issues faced by the province so they can form their own opinions about how they want government to handle those issues. Achieving this goal ensures Albertans receive clear and timely communications from government.

**Strategies**

2.1 Implement a Government of Alberta strategic communications plan to enhance the quality, coordination and consistency of government communications and provide Albertans with improved avenues to access information and give feedback.

2.2 Implement a corporate communications policy for the Government of Alberta.

2.3 Deliver strategic and comprehensive communications support in all priority areas, including key Government of Alberta business plan goals and cross-ministry priorities.

2.4 Enhance the government's internal communications programs to better align internal and external communications and provide more comprehensive information resources for Government of Alberta staff.

2.5 Strengthen the current emergency response communications program to ensure that plans, communications tools and staff training levels are sufficient to deliver effective communications support in the case of a major public emergency.

| Performance Measures | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 2.a Public satisfaction with government communications[1] | 62% | 75% | 75% | 75% |
| 2.b Public satisfaction with the Government of Alberta Home Page | 88% | 90% | 90% | 90% |
| 2.c Government client satisfaction with communications support and services received | 91% | 95% | 95% | 95% |

**Note:**

[1] New last actual and targets for measure 2.a. This measure represents an average of public satisfaction with government communications in priority areas and public satisfaction with access to government information. These were previously reported as two separate measures.

## EXPENSE BY CORE BUSINESS

(thousands of dollars)

| | Comparable<br>2005-06<br>Actual | Comparable<br>2006-07<br>Budget | Comparable<br>2006-07<br>Forecast | 2007-08<br>Estimate | 2008-09<br>Target | 2009-10<br>Target |
|---|---|---|---|---|---|---|
| Office of the Premier / Executive Council - Support strategic planning, policy development and decision-making for the Government of Alberta | 6,359 | 7,692 | 7,692 | 8,887 | 9,054 | 9,321 |
| Public Affairs Bureau - Help government ministries communicate with Albertans | 12,028 | 13,950 | 13,950 | 14,322 | 14,692 | 15,062 |
| **MINISTRY EXPENSE** | 18,387 | 21,642 | 21,642 | 23,209 | 23,746 | 24,383 |

## MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

| | Comparable<br>2005-06<br>Actual | Comparable<br>2006-07<br>Budget | Comparable<br>2006-07<br>Forecast | 2007-08<br>Estimate | 2008-09<br>Target | 2009-10<br>Target |
|---|---|---|---|---|---|---|
| **REVENUE** | | | | | | |
| Other Revenue | 46 | - | - | - | - | - |
| **MINISTRY REVENUE** | 46 | - | - | - | - | - |
| **EXPENSE** | | | | | | |
| **Program** | | | | | | |
| Office of the Premier / Executive Council | 6,214 | 7,692 | 7,692 | 8,887 | 9,054 | 9,321 |
| Public Affairs | 11,848 | 13,950 | 13,950 | 14,322 | 14,692 | 15,062 |
| Valuation Adjustments and Other Provisions | 325 | - | - | - | - | - |
| **MINISTRY EXPENSE** | 18,387 | 21,642 | 21,642 | 23,209 | 23,746 | 24,383 |
| Gain (Loss) on Disposal of Capital Assets | - | - | - | - | - | - |
| **NET OPERATING RESULT** | (18,341) | (21,642) | (21,642) | (23,209) | (23,746) | (24,383) |

## CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

| | Comparable<br>2005-06<br>Actual | Comparable<br>2006-07<br>Budget | Comparable<br>2006-07<br>Forecast | 2007-08<br>Estimate | 2008-09<br>Target | 2009-10<br>Target |
|---|---|---|---|---|---|---|
| Ministry Revenue | 46 | - | - | - | - | - |
| *Inter-ministry consolidation adjustments* | - | - | - | - | - | - |
| **Consolidated Revenue** | 46 | - | - | - | - | - |
| Ministry Expense | 18,387 | 21,642 | 21,642 | 23,209 | 23,746 | 24,383 |
| *Inter-ministry consolidation adjustments* | - | - | - | - | - | - |
| **Consolidated Expense** | **18,387** | **21,642** | **21,642** | **23,209** | **23,746** | **24,383** |
| Gain (Loss) on Disposal of Capital Assets | - | - | - | - | - | - |
| **CONSOLIDATED NET OPERATING RESULT** | (18,341) | (21,642) | (21,642) | (23,209) | (23,746) | (24,383) |

# Finance

## BUSINESS PLAN 2007-10

## ACCOUNTABILITY STATEMENT

The business plan for the three years commencing April 1, 2007 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as of March 26, 2007 with material economic or fiscal implications of which I am aware have been considered in preparing the business plan.

The Ministry's priorities outlined in the business plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this business plan.

Lyle Oberg, *Minister of Finance*
March 29, 2007

## THE MINISTRY

The Ministry of Finance includes the Department of Finance, Alberta Pensions Administration Corporation, Alberta Local Authorities Pension Plan Corporation, Alberta Securities Commission, Alberta Capital Finance Authority, Alberta Treasury Branches (ATB Financial), Alberta Insurance Council and the Credit Union Deposit Guarantee Corporation and their subsidiaries, as well as the following six regulated funds: Alberta Heritage Savings Trust Fund, Alberta Heritage Foundation for Medical Research Endowment Fund, Alberta Heritage Scholarship Fund, Alberta Heritage Science and Engineering Research Endowment Fund, Alberta Cancer Prevention Legacy Fund and the Alberta Risk Management Fund. The Ministry of Finance also includes the activities of the following companies: N.A. Properties and Gainers Inc.

The Department of Finance has the following core areas/functions: Budget and Fiscal Planning; Alberta Investment Management; Treasury Management; Risk Management; Tax and Revenue Administration; Pensions, Insurance and Financial Institutions; and Corporate Support.

The Finance Business Plan incorporates all the entities reporting to the Minister into an integrated strategic plan that focuses on the key priorities for the Ministry. The plan does not include the day-to-day activities of the Ministry.

## VISION

*Financial leadership that strengthens Alberta.*

## MISSION

Provide corporate financial services and manage the province's financial affairs and policies in the interests of Albertans.

## LINK TO THE GOVERNMENT OF ALBERTA STRATEGIC BUSINESS PLAN

**Linked to Government of Alberta Goals:**

**Goal 1: Alberta will have a prosperous economy**

- Linked through:
    - The Alberta Heritage Science and Engineering Research Endowment Fund.

**Goal 4: Alberta will have a financially stable, open and accountable government and maintain its strong position nationally and internationally**

- Linked through:
    - Budget Consultations – Finance will review options to consult with Albertans on future budgets.
    - Financial Investment and Planning Commission – Finance will lead the Commission to explore options for long-term investment strategies for Alberta's non-renewable resource revenues.
    - Royalty Review – Finance will facilitate an independent public review to ensure Albertans are receiving a fair share from energy development through royalties, taxes and fees.
    - Programs and services related to budgeting and accounting, tax and revenue collection, pensions and risk management.

**Goal 5: Albertans will be healthy**

- Linked through:
    - The Alberta Heritage Foundation for Medical Research Endowment Fund and the Alberta Cancer Prevention Legacy Fund.

**Goal 7: Alberta will be a safe place to live, work and raise families**

- Linked through:
    - Securities Regulation – Finance will work with other Canadian jurisdictions to develop an effective and efficient securities regulatory system in Alberta that meets the needs of Alberta's businesses and investors.

**Goal 9: Alberta will have a strong and effective municipalities and self-reliant Aboriginal communities**

- Linked through:
    - The Alberta Capital Finance Authority providing local authorities in the province with flexible funding for capital projects at the lowest possible cost.

**Linked to Government of Alberta Priority: Build a Stronger Alberta**

**Finance Priority: Royalty Review**

The ministry will facilitate an independent public review to ensure Albertans are receiving a fair share from energy development through royalties, taxes and fees.

**Finance Priority: Financial Investment and Planning Commission**

The ministry will lead a Financial Investment and Planning Commission and explore long-term investment strategy options for Alberta's non-renewable resource revenues.

# SIGNIFICANT OPPORTUNITIES AND CHALLENGES

The Ministry of Finance provides corporate financial services to Albertans and manages the province's financial affairs and policies.

The Ministry has identified the following opportunities and challenges that could influence the ability to achieve the business plan goals.

**Fiscal Sustainability**

- Alberta is experiencing strong economic growth and the expectations for services and facilities are great. Fiscal sustainability requires that overall spending growth should not be more than economic growth. Non-renewable resource revenue, which has lately accounted for about one third of the Alberta government's total revenue, is difficult to predict. Energy prices are volatile due to unpredictable world events, such as political conditions in the Middle East or severe weather. It is difficult to know if the additional revenue we receive today will be available in the future.

**Taxation**

- Significant revenue from natural resources has enabled Alberta to have a competitive, low tax structure. The number of tax revenue sources is narrower than what is common in other jurisdictions, which increases Alberta's revenue risk. There continues to be more demands to further narrow Alberta's tax base.
- As corporate profitability increases due to Alberta's recent economic growth, the risk of tax avoidance increases. Aggressive tax planning creates an environment in which Alberta's tax revenues may be eroded.

**Pensions**

- The low interest rate environment and an aging population with longer life expectancies will continue to put pressure on pension funds. Pension funding rules must establish the right balance between stable funding requirements and benefit security for members.

**Risk Management**

- The Government is a very complex business resulting in a wide variety of financial, legal and other risks that need to be managed. The Ministry of Finance provides leadership to other ministries and agencies throughout government to assist them with identifying, measuring, controlling and financing the risk of accidental loss. The challenge for the Government of Alberta is to manage risk cautiously without inhibiting innovation.

**Investments**

- Volatility of capital markets has a direct impact on the income of the government's investment funds. Strong investment performance requires good governance and access to a wide range of investment opportunities.

**Insurance and Financial Sector Regulation**

- Recent climatic events including floods, fires and wind storms have contributed to significant increases in the costs of property and casualty insurance, as well as shrinkage in insurance coverage. Increasing property and construction costs are also causing increases to insurance premiums.
- Regulating and fostering Alberta's capital market requires an appropriate balance between investor protection and a firm's ability to raise capital. Provinces are working together to increase capital market efficiency by harmonizing and streamlining capital market regulation. Alberta will continue to participate in inter-provincial initiatives to increase regulatory efficiency and maintain an appropriate balance between investor protection and a firm’s ability to raise capital.

## STRATEGIC PRIORITIES 2007-10

Through the Ministry's review of external and internal challenges, the strategic priorities described below have been identified. These are in addition to the important ongoing core activities of the Ministry.

### GOVERNMENT PRIORITY – BUILD A STRONGER ALBERTA

| | |
|---|---|
| **1. Budget Consultation**<br>**Linkage: Goal 1** | • Develop a process to consult with Albertans for future budgets. This priority supports the Government of Alberta priority to govern with integrity and transparency. |
| **2. Royalty Review**<br>**Linkage: Goal 1** | • Facilitate an independent public review to ensure Albertans are receiving a fair share from energy development through royalties, taxes and fees. |
| **3. Financial Investment and Planning Commission**<br>**Linkage: Goal 1** | • Lead a Financial Investment and Planning Commission to explore options for long-term investment strategies for Alberta's non-renewable resource revenues. |
| **4. Provincial Investment Corporation**<br>**Linkage: Goal 4** | • Establish a provincial corporation to better meet the evolving needs of investment clients and ensure that long-term financial returns are maximized and risks are controlled. |
| **5. Pensions**<br>**Linkage: Goals 6 and 9** | • Work with public sector boards and stakeholders and lead the implementation of an improved governance structure that will strengthen public sector pension plans.<br>• Work with stakeholders and other Canadian jurisdictions to strengthen private sector pension standards laws. |

### GOVERNMENT PRIORITY – PROVIDE SAFE AND SECURE COMMUNITIES

| | |
|---|---|
| **6. Securities Regulation**<br>**Linkage: Goal 8** | • Work with other Canadian jurisdictions to develop an effective and efficient securities regulatory system in Alberta that meets the needs of Alberta's businesses and investors. |

## Core Business One: Fiscal Planning and Financial Management

### GOAL ONE 1 A financially strong, accountable and sustainable government

**What it means** Strategic fiscal planning and prudent economic and revenue forecasting are required to meet today's priorities and sustain essential programs and services over the longer term. The legislated Fiscal Framework supports sound fiscal planning to help deal with revenue volatility and to maintain balanced budgets.

The Ministry of Finance develops the overall fiscal plan, coordinates and prepares the annual budget and provides quarterly fiscal updates to Albertans on the Government of Alberta's financial position.

**Strategies**

1.1 Facilitate a public review in 2007-08 to ensure Albertans are receiving a fair share from energy development through royalties, taxes and fees.

1.2 Lead a Financial Investment and Planning Commission to explore options for long-term investment strategies for Alberta's non-renewable resource revenues.

1.3 Develop a process to consult with Albertans on future budgets.

1.4 Develop options to manage budget surpluses.

| Performance Measure | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 1.a Alberta's credit rating<br>(Blended credit rating for domestic debt) | AAA | AAA | AAA | AAA |

GOAL TWO 2

## A fair and competitive provincial tax system

**What it means** The tax system must be fair and promote self-reliance. The system must also be competitive with those in other provinces and countries in order to create jobs and attract investment and skilled workers to Alberta. The government's policy of low overall tax rates promotes strong economic growth. Alberta has the lowest personal and corporate taxes in Canada with a low single-rate personal income tax, low corporate tax rates and the lowest tax on gasoline of all provinces. Alberta is the only province without a capital tax or retail sales tax.

**Strategies**

2.1 Continue to review the tax competitiveness, economic efficiency, fairness and revenue stability of Alberta's tax system.

2.2 Investigate options to improve Alberta's tax competitiveness.

| Performance Measures | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 2.a Provincial tax load for a family of four | Lowest in Canada | Lowest in Canada | Lowest in Canada | Lowest in Canada |
| 2.b Provincial tax load on businesses[1] | Lowest in Canada | Lowest in Canada | Lowest in Canada | Lowest in Canada |

**Note:**

[1] Data for this measure is provided by the Federal Government and may change as work progresses on the new equalization framework.

GOAL THREE **3**

## Revenue programs are administered fairly, efficiently and effectively

**What it means** The Ministry of Finance designs tax and revenue programs, collects revenue owing to the province, administers tax and revenue laws, makes payments of refunds and rebates, and provides information to stakeholders, taxpayers and claimants.

The design and administration of Alberta tax and revenue programs contribute to a fair and competitive tax environment in Alberta and in Canada. Collecting revenue fairly means that all taxpayers and claimants are treated equally under the law and with respect; efficiently means obtaining measurable value for money spent; effectively means reducing losses due to non-compliance.

**Strategies**

3.1 Modernize the fuel tax legislation and administration by developing new regulations, systems and processes under the new *Fuel Tax Act*.

3.2 Work with stakeholders, including service providers, to improve forms and develop e-service modules that will improve service and promote self-compliance.

3.3 Identify and mitigate areas where there is a high risk of non-compliance or tax avoidance.

3.4 Develop legislation and programs to manage assets from unclaimed personal property and property vested in the Crown.

| Performance Measures | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 3.a Ratio of amounts added to net revenue to costs of administration (as a measure of self-compliance)[1] | 11.9:1 | 11:1 | 10:1 | 10:1 |
| 3.b Percentage of revenue obtained through self-compliance[2] | 93.7% | 92% | 92% | 92% |

**Notes:**

1 The Tax and Revenue Administration Division recovers tax revenues that otherwise may be lost through a combination of audit activities, collection of overdue accounts, and the revision of returns and claims. This measure is calculated by dividing the total additional revenue obtained because of these efforts by Tax and Revenue Administration's operating budget. A declining target is a result of increased compliance.

2 Voluntary compliance means that taxpayers accurately complete and submit their tax information. This measure is calculated by dividing the tax revenue obtained as a result of voluntary compliance by total tax revenue. Improved information and expanded audit coverage has improved self-compliance.

## GOAL FOUR 4 Sound management of financial assets and liabilities for current and future generations of Albertans

**What it means** The Ministry of Finance is responsible for the investment of the Alberta Heritage Savings Trust Fund, endowment funds and other government funds. The Ministry is also responsible for investing on behalf of the public sector pension plans and for setting the endowment funds' investment policy. Pension boards are responsible for setting public sector pension plan investment policies for their funds and for monitoring performance within defined objectives and constraints.

Investment policies, such as how much to invest in equities versus bonds, are the major determinants of investment fund returns over time. Once the investment policies are determined, returns can be enhanced by making active investment decisions relative to the appropriate financial market benchmarks (e.g., The Standard and Poor's TSX Index for Canadian equities).

The Ministry of Finance also has the responsibility for the province's cash management, including short-term borrowing and investing, management of banking arrangements, and short and long-term financing for the government and provincial corporations.

**Strategies**

4.1 Establish a new provincial corporation that incorporates best-in-class governance procedures with clear lines of accountability to better meet the evolving needs of investment clients.

4.2 Increase returns to balanced fund clients above those returns provided from their investment policy benchmarks through active management that is consistent with client expectations.

4.3 Increase client satisfaction by providing proactive advisory services and timely communications.

4.4 Review, and update as required, the investment policy statements for all government funds to ensure they continue to reflect government fund objectives and industry best practices.

4.5 Provide leadership in cash and debt management by:

- Employing new technology and best practices.
- Minimizing cost for provincial government and provincial corporations through efficient borrowing programs.
- Ensuring daily cash flows are managed optimally through effective cash forecasting.

| Performance Measures | Last Actual (Year) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 4.a Five-year market value rate of return of the selected asset mix (policy benchmark) of the Alberta Heritage Savings Trust Fund will be compared against the Consumer Price Index (CPI) plus 4.5%[1] | CPI plus 7.8% (2005-06) | CPI plus 4.5% | CPI plus 4.5% | CPI plus 4.5% |
| 4.b Five-year weighted average market value rate of return for endowment funds compared against the weighted average policy asset mix rate of return (benchmark) for those funds[2] | All funds exceeded the target benchmark plus 0.50% (2005-06) | Benchmark plus 0.53%[3] | Benchmark plus 0.59% | Benchmark plus 0.67% |
| 4.c Return on Consolidated Cash Investment Trust Fund compared to Scotia Capital 91 day Treasury Bill Index | Benchmark plus 0.04% (2005-06) | Benchmark plus 0.05% | Benchmark plus 0.05% | Benchmark plus 0.05% |
| 4.d All-in cost of debt issued compared to an issue of Alberta debt of comparable term in the Canadian public debt market[4] | Costs were lower by $1.3 million (2004-05) | Cost lower than the comparable debt issued in the Canadian public debt market | | |

**Notes:**

1 This measure is used to determine whether the asset mix set out in the Investment Policy Statement is achieving expected returns over a five-year period. The market value rate of return of the asset mix is measured by calculating the investment returns that the policy would have produced without active investment management. This measure was first introduced in 2004-05 and the full-five year average will be built over time until a full five years of results are complete in 2008-09 The average return reported in the 2005-06 Annual Report was 10 per cent (3.3 per cent above the target of 6.7 per cent).

2 This measure is used to determine the value added by active fund management on investment performance over a five-year period. It is calculated as the difference between actual investment returns and the investment returns that the asset mix would have produced without active investment management.

3 The targets are based on individual year targets for the value added through active investment management. The individual year targets are: 2005-06, 0.50 per cent; 2006-07, 0.50 per cent; 2007-08, 0.60 per cent; 2008-09, 0.75 per cent; 2009-10, 1.00 per cent. The measure began in 2005-06 and accordingly, targets and performance results represent averages from those dates forward. The full five-year average will be complete in 2009-10.

4 The Ministry's target is to minimize costs for the province and its corporations through efficient borrowing programs. This is accomplished by seeking alternative markets and negotiating lower commission costs. The target for these costs is to be lower than the costs of selling the same bonds in the Canadian public market. This measure was reported last in 2004-07 business plan.

A new performance measure has been developed to measure five-year weighted average market value rate of return for public sector pension fund clients compared against the weighted average policy asset mix rate of return (benchmark) for those funds to determine the impact of active fund management on performance. The targets are: Benchmark plus 0.55 per cent (2007-08), Benchmark plus 0.62 percent (2008-09) and Benchmark plus 0.71 per cent (2009-10)

## GOAL FIVE 5 Effective leadership in risk management

**What it means** The Ministry serves all government ministries and agencies as well as other bodies identified under the *Financial Administration Act* by providing leadership in identifying, measuring, controlling and financing risk of accidental loss. Effective risk management systems provide awareness, improve public safety and reduce costs to government in the long-term.

The Alberta Risk Management Fund operates under the authority of the *Financial Administration Act*. The Fund facilitates the provision of risk management services to ministries by assuming general and automobile liability and the risk of property and other losses.

### Strategies

5.1 Promote risk awareness throughout government.

5.2 Collaborate with ministries to identify and manage risk.

5.3 Provide sustainable funding for liability exposure and loss of public assets.

| Performance Measures | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 5.a Government of Alberta employee awareness of risk management (survey issued every three years) | 70% | n/a[1] | Meet or exceed baseline set in 2005-06 | n/a[1] |

Note:

[1] Survey issued every two years.

New measure being developed for 2007-10 to measurer satisfaction with the services provided by the Risk Management and Insurance Division (survey issued every two years). Target for 2008-09 is 80 per cent satisfaction.

## Core Business Three: Financial Sector and Pensions

GOAL SIX 6

### Effective regulation of private sector pension, insurance and financial products and services

**What it means** Albertans need to know the financial services and products they receive are secure. The Ministry of Finance minimizes risks relating to these products by regulating private sector pension plans, the insurance industry, credit unions, and loan and trust corporations in Alberta.

The *Employment Pension Plans Act* safeguards benefits promised to members of registered pension plans by setting minimum standards for funding, investments, disclosure and qualifications for benefits.

The Ministry regulates, in part, the insurance business in Alberta under the *Insurance Act*. Work is currently underway to review and rewrite the provisions of the *Insurance Act* respecting insurance contracts. The Ministry is also continuing to monitor the effectiveness of Alberta's new automobile insurance system.

The Ministry monitors the financial institutions' marketplace and develops rules and regulations that govern credit unions, loan and trust corporations and insurers. These rules and regulations facilitate services contracted by deposit holders, policyholders, and trust beneficiaries while still maintaining a competitive environment for companies to operate.

**Strategies**

6.1 Develop and implement re-engineered policies and procedures to:

- regulate and supervise registered private-sector pension plans, the insurance industry, loan and trust corporations, and the province's credit union system, and
- monitor and provide oversight to provincial agents that report to the Minister of Finance.

6.2 Work with stakeholders to review and revise the part of the *Insurance Act* related to insurance contracts.

6.3 Continue to work with stakeholders and other Canadian jurisdictions, where appropriate, to harmonize and strengthen private sector pension, insurance and financial legislation and regulatory processes.

| Performance Measure | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 6.a Percentage of private sector pension plans that meet minimum funding standards[1] | 99% | 99% | 99% | 99% |

**Note:**

[1] Current service cost and any required deficit payments within the timelines set by legislation.

GOAL SEVEN 7

## Accessible financial services for Albertans and local authorities

**What it means** Alberta's dynamic economy and entrepreneurial spirit requires readily accessible and technologically advanced financial services and products. In addition to private sector financial institutions, the Alberta Treasury Branches (ATB Financial) and the Alberta Capital Finance Authority (ACFA) make financial services and products available to Albertans and local authorities.

ATB Financial is a full-service financial institution, with the largest branch network in the province. It provides financial services to individuals, businesses and the agriculture sectors across Alberta.

ACFA provides financing for capital projects to a variety of local authorities including municipalities, health authorities, school boards, post-secondary institutions and airport authorities throughout the province.

**Strategies**

7.1 ATB Financial will continue to operate on sound financial institution and business principles with the objective of earning a fair return on financial services offered across Alberta.

7.2 ACFA will continue to provide local authorities in the province with flexible funding for capital projects at the lowest possible cost while maintaining the viability of the Authority.

| Performance Measures | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 7.a ATB Financial return on average assets (before tax) | 1.2% | 1.2% | 1.2% | 1.3% |
| 7.b Cost to Alberta local authorities of borrowing from ACFA compared to other municipality/aggregating agencies for a comparable loan | Lowest of both cases compared[1] | Lowest of comparable cases | Lowest of comparable cases | Lowest of comparable cases |

**Note:**

1 ACFA compares Alberta local authorities' indicative loan rates to the cost of borrowing by Ontario municipalities from the Ontario Strategic Infrastructure Financing Authority. The target was met in both cases compared.

GOAL EIGHT 8

## An effective and efficient securities regulatory system

**What it means** An effective, efficient and streamlined securities regulatory system is vitally important to investor protection, and vibrant and competitive national and local capital markets. It inspires investor confidence and supports competitiveness, innovation and growth in the economy.

**Strategies**

8.1 Actively promote and lead the development and implementation of an inter-provincial/territorial securities regulatory system that is streamlined, simple, effective and efficient for issuers, investors and other market participants.

8.2 Lead the development of highly harmonized securities legislation, simplified where appropriate, that builds on existing law and could be adopted across Canada.

8.3 Revise legislation to improve the Alberta Securities Commission governance and reporting relationship to ensure that Alberta's securities regulation meets the specific needs of Alberta businesses and investors.

| Performance Measures | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 8.a Inter-provincial/territorial securities regulatory system | Phase 1 Implemented (Passport System 2005-06) | Passport System extended to other areas of securities law | Passport System extended to other areas of securities law | Implemented |
| 8.b Highly harmonized securities law (includes highly harmonized rules, regulation and legislation) | Continuation of development and enactment of highly harmonized securities laws | Law-rules, regulation and legislation amended | Law-rules, regulation and legislation amended | Law-rules, regulation and legislation amended |

## GOAL NINE 9 Sustainable public sector pension plans in Alberta

**What it means** The Ministry of Finance provides policy support to government with respect to funding and governance for several public sector pension plans. The Minister of Finance is responsible for Alberta's Public Sector Pension Plans including the Local Authorities Pension Plan, the Special Forces Pension Plan, the Public Service Pension Plan and the Management Employees Pension Plan.

Alberta Pensions Administration Corporation provides administrative services for public sector pension boards, employers, members and pensioners of seven different pension plans and two supplementary retirement plans. Alberta LAPP Corp. provides strategic guidance and support to the Local Authorities Pension Board.

The Ministry also provides advice in relation to Alberta's role as one of the joint stewards of the Canada Pension Plan. Work will continue with the federal government and the other provinces to maintain the sustainability of the Canada Pension Plan. Alberta takes part in a triennial review of the Canada Pension Plan.

**Strategies**

9.1 Work with public sector boards and stakeholders and lead the implementation of an improved governance structure that will strengthen public sector pension plans.

9.2 Participate and ensure Alberta has a key role in the triennial review of the Canada Pension Plan.

| Performance Measure | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 9.a Improved pension plan governance | Partially met | Governance review complete | Recommendations from review implemented | Fully implemented |

# EXPENSE BY CORE BUSINESS
(thousands of dollars)

| | Comparable | | | | | |
|---|---|---|---|---|---|---|
| | 2005-06 Actual | 2006-07 Budget | 2006-07 Forecast | 2007-08 Estimate | 2008-09 Target | 2009-10 Target |
| Fiscal Planning and Financial Management | 46,583 | 58,049 | 52,028 | 64,797 | 65,181 | 67,519 |
| Investment, Treasury and Risk Management | 446,897 | 522,903 | 544,431 | 538,288 | 545,731 | 542,934 |
| Financial Sector and Pensions | 337,789 | 341,544 | 355,500 | 367,909 | 373,002 | 385,718 |
| **MINISTRY EXPENSE** | 831,269 | 922,496 | 951,959 | 970,994 | 983,914 | 996,171 |

# MINISTRY STATEMENT OF OPERATIONS
(thousands of dollars)

| | Comparable | | | | | |
|---|---|---|---|---|---|---|
| | 2005-06 Actual | 2006-07 Budget | 2006-07 Forecast | 2007-08 Estimate | 2008-09 Target | 2009-10 Target |
| **REVENUE** | | | | | | |
| Internal Government Transfers | 291,478 | 116,686 | 315,726 | 91,373 | 148,639 | 340,691 |
| Personal and Corporate Income Taxes | 7,593,784 | 8,226,025 | 11,114,462 | 10,443,928 | 10,882,636 | 11,448,909 |
| Other Taxes | 1,655,782 | 1,628,171 | 1,773,223 | 1,919,109 | 1,975,979 | 2,034,077 |
| Transfers from Government of Canada | 4,179 | 4,178 | 4,180 | 4,180 | 4,180 | 4,180 |
| Investment Income | 2,305,488 | 1,764,997 | 3,053,435 | 2,426,894 | 2,425,095 | 2,481,886 |
| Premiums, Fees and Licences | 40,472 | 40,366 | 40,630 | 46,303 | 49,015 | 51,657 |
| Net Income from Commercial Operations | 205,921 | 222,603 | 285,735 | 267,986 | 294,927 | 331,638 |
| Other Revenue | 53,165 | 64,580 | 67,323 | 70,342 | 73,707 | 78,049 |
| **MINISTRY REVENUE** | 12,150,269 | 12,067,606 | 16,654,714 | 15,270,115 | 15,854,178 | 16,771,087 |
| **EXPENSE** | | | | | | |
| **Program** | | | | | | |
| Fiscal Planning and Financial Management | 41,484 | 51,431 | 45,722 | 57,816 | 58,125 | 60,341 |
| Investment, Treasury and Risk Management | 204,188 | 283,359 | 328,954 | 316,337 | 333,856 | 354,281 |
| Financial Sector and Pensions | 336,961 | 340,742 | 354,719 | 367,055 | 372,137 | 384,836 |
| Ministry Support Services | 9,039 | 8,917 | 8,517 | 9,493 | 9,612 | 9,805 |
| Valuation Adjustments and Other Provisions | (537) | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 |
| **Total Program Expense*** | 591,135 | 685,449 | 738,912 | 751,701 | 774,730 | 810,263 |
| **Debt Servicing Costs** | | | | | | |
| Department Voted | 45,236 | 38,047 | 38,047 | 31,293 | 25,184 | 19,908 |
| Department Statutory | 194,898 | 199,000 | 175,000 | 188,000 | 184,000 | 166,000 |
| **Ministry Debt Servicing Costs** | 240,134 | 237,047 | 213,047 | 219,293 | 209,184 | 185,908 |
| **MINISTRY EXPENSE** | 831,269 | 922,496 | 951,959 | 970,994 | 983,914 | 996,171 |
| Gain (Loss) on Disposal of Capital Assets | - | - | - | - | - | - |
| **NET OPERATING RESULT** | 11,319,000 | 11,145,110 | 15,702,755 | 14,299,121 | 14,870,264 | 15,774,916 |

* Subject to the *Fiscal Responsibility Act* . Total program expense includes the province's cash payments towards the unfunded pension liability (which will be eliminated under a separate legislated plan). Total program expense does not include the annual change in the unfunded pension obligations, which is a non-cash expense that does not affect borrowing requirements. The annual increases (decreases) in the Ministry of Finance's unfunded pension obligations are estimated to be: 40,076 (11,000) 14,000 (22,000) (28,000) (29,000)

# CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

| | Comparable | | | | | |
|---|---|---|---|---|---|---|
| | 2005-06 Actual | 2006-07 Budget | 2006-07 Forecast | 2007-08 Estimate | 2008-09 Target | 2009-10 Target |
| Ministry Revenue | 12,150,269 | 12,067,606 | 16,654,714 | 15,270,115 | 15,854,178 | 16,771,087 |
| *Inter-ministry consolidation adjustments* | (379,539) | (238,378) | (428,101) | (172,620) | (236,447) | (429,790) |
| **Consolidated Revenue** | 11,770,730 | 11,829,228 | 16,226,613 | 15,097,495 | 15,617,731 | 16,341,297 |
| Ministry Program Expense | 591,135 | 685,449 | 738,912 | 751,701 | 774,730 | 810,263 |
| *Inter-ministry consolidation adjustments* | (41,852) | (93,679) | (98,850) | (106,636) | (108,503) | (111,253) |
| **Consolidated Program Expense** | **549,283** | **591,770** | **640,062** | **645,065** | **666,227** | **699,010** |
| Ministry Debt Servicing Costs | 240,134 | 237,047 | 213,047 | 219,293 | 209,184 | 185,908 |
| *Inter-ministry consolidation adjustments* | (65,559) | (69,510) | (67,380) | (71,649) | (77,208) | (77,676) |
| **Consolidated Debt Servicing Costs** | 174,575 | 167,537 | 145,667 | 147,644 | 131,976 | 108,232 |
| **Consolidated Expense** | 723,858 | 759,307 | 785,729 | 792,709 | 798,203 | 807,242 |
| Gain (Loss) on Disposal of Capital Assets | - | - | - | - | - | - |
| **CONSOLIDATED NET OPERATING RESULT** | 11,046,872 | 11,069,921 | 15,440,884 | 14,304,786 | 14,819,528 | 15,534,055 |

# Health and Wellness

## BUSINESS PLAN 2007-10

## ACCOUNTABILITY STATEMENT

The business plan for the three years commencing April 1, 2007 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as of March 26, 2007 with material economic or fiscal implications of which I am aware have been considered in preparing the business plan.

The Ministry's priorities outlined in the business plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this business plan.

Dave Hancock

Dave Hancock, *Minister of Health and Wellness*
March 28, 2007

## THE MINISTRY

The Ministry of Health and Wellness consists of the Department of Health and Wellness and the Alberta Alcohol and Drug Abuse Commission (AADAC). This business plan sets out strategic changes, improvements and activities for both components of the Ministry in the three years ahead. The Ministry business plan guides department operational plans. Supplementary information on AADAC's business plan is in the appendix. The Ministry business plan also serves as a framework for the development of three-year health plans and one-year business plans by Alberta's nine regional health authorities and the Health Quality Council of Alberta and multi-year performance agreements by the Alberta Cancer Board and the Alberta Mental Health Board.

Financial information is consolidated in the Ministry Statement of Operations. A summary of progress on this business plan will be reported in the Health and Wellness 2007-08 Annual Report. A more detailed description of Alberta's health system can be found on the Ministry's website: www.health.gov.ab.ca.

## VISION

*Albertans are healthy and live, work and play in a healthy environment.*

## MISSION

Provide leadership and work collaboratively with partners to help Albertans be healthy.

## LINK TO THE GOVERNMENT OF ALBERTA STRATEGIC BUSINESS PLAN

The Health and Wellness business plan links to the Government of Alberta 3-Year Business Plan 2007-10 through:

**Goal 5: Albertans will be healthy.**

### Government of Alberta 2007-10 Priorities

The Government of Alberta has identified five Government Priorities. The Ministry directly supports the achievement of the following Government Priority: Improve Albertans' Quality of Life, by focusing on the Ministry's strategy to implement health care productivity reforms and long-term sustainability initiatives in consultation with health care professionals and regional health authorities.

The Ministry is also making a significant contribution to the following Government Priority: Manage Growth Pressures, by providing funding to respond to the recommendations from the Oil Sands Ministerial Strategy Committee on impacts of development in oil sands communities.

## SIGNIFICANT OPPORTUNITIES AND CHALLENGES

Albertans highly value their health system. They expect it to operate efficiently and effectively and to provide them with timely, accessible, high quality service. Looking to the future, Albertans recognize the need to make their health system fiscally sustainable. They also recognize that Alberta is facing a period of unprecedented growth that is putting pressure on the health system and increasing the risk to the system's long-term sustainability. To help address those pressures there is a growing realization that each person has a responsibility for staying well and making healthy choices. Albertans expect their government to support individuals' choices by protecting public health and supporting families and communities in their efforts to maintain healthy lifestyles while minimizing social, behavioral or environmental factors that can undermine good health. Children, youth and individuals challenged by mental health issues or addictions are particularly vulnerable and need timely intervention and care. It is clear that government cannot meet all these expectations and challenges alone. Government needs the active engagement of communities, health system leaders and professional associations, municipalities and the general public working together to achieve shared health goals. Health and Wellness expects to face the challenges and opportunities that follow, over the next three years. These challenges and opportunities are not unique to Alberta. Globally, health systems face rising costs from new drugs and technologies, shortages of skilled health professionals and increasing expectations regarding quality and access from aging populations.

- **Sustainability** – Rising health care costs mean that the health system will continue to consume a disproportionate share of available public funds and resources. There is an opportunity to engage the public, patients, professionals and policy leaders in seeking the right balance among the many competing social and economic priorities. In the interest of long-term sustainability, government must have effective plans and policies that promote wellness and prevent illness, respond to citizens' immediate and chronic health care needs, increase the efficiency and effectiveness of existing health resources, expand capacity of both health workforce and health facilities, all while protecting and promoting public health measures and systems over the long term. **Business Plan Linkage: Goal 6**

- **Workforce** – Alberta is fortunate to have a large number of highly skilled and dedicated health professionals. The human resources needed to provide quality care are becoming scarce in a number of clinical service areas and geographic locations. The challenge of workforce shortages is compounded by the fact that the average age of health care providers is increasing and many are nearing retirement age. This creates an opportunity to put in place well coordinated recruitment and retention plans, particularly in rural regions. There is also opportunity to expand the capacity of Alberta's training centres and increase the supply of newly graduated physicians, nurses, and other health professionals. These strategies must be part of a comprehensive health workforce action plan that allows for flexibility in scopes of practice, appropriate incentives and new technology integration. **Business Plan Linkage: Goal 4**

- **Prescription Drugs** – Prescription drugs represent the fastest growing expenditure area in the health system. Used appropriately, prescription drugs can bring about significant improvement in the management of chronic conditions and have contributed to savings in other parts of the health system. For the 2005-06 fiscal year, the Government of Alberta spent about $1 billion on prescription drugs, while Albertans paid an additional $1.3 billion through direct payment or private insurance. This will increase to $2 billion by 2009-10. Annual cost increases of 14 per cent are not sustainable given other health care and social program priorities. There is an opportunity for Alberta to improve its prescription drug funding programs to improve cost effectiveness and efficiency. There are also opportunities for significant cost savings through consolidated provincial management, competitive pricing and evidence-based prescribing practices. **Business Plan Linkage: Goal 6**

- **Promotion, Protection and Prevention** – The cost of preventing disease and injuries is much less than the cost of diagnosis and treatment. The challenge is to invest strategically in the factors that reduce risk and promote health in all sectors of society. Lifelong health begins before birth and is influenced by a person's childhood and formative years. There is an opportunity to take action now to improve the health determinants for all Albertans, especially young people and those who are particularly vulnerable or at risk. **Business Plan Linkage: Goals 1 and 2**

- **Access** – Improving access to health services is a top priority. Albertans are generally satisfied with the quality of service provided by the health system once they gain access to those services. The challenge facing health service providers, health authorities and provincial health system leaders is to streamline processes, remove unnecessary bottlenecks and speed-up delivery of access to needed health services. Improved, integrated management of health services has increased access and satisfaction with services received. A comprehensive, system-wide approach to service delivery will continue to improve access. **Business Plan Linkage: Goal 3**

- **Governance and Accountability** – The complexity and diversity of Alberta's health system and increasing levels of public spending on health care create the need for sound governance, stewardship and accountability throughout the system. The challenge is to clarify roles and accountability relationships of all players; including regional health authorities, provincial health boards, municipalities, professional governance bodies, health service providers and individual citizens. In addition, there is an opportunity to improve operational performance, quality of care and the confidence of the public. **Business Plan Linkage: Goal 5**

- **Innovation, Research and Technology** – New technologies and innovations play a critical role in improving the health system. They include new medical devices, diagnostic and treatment protocols and pharmaceuticals. The challenge is to fully integrate innovation and technology so that improvements in the effectiveness of care and the quality of outcomes are not simply add-ons to existing services. Communication technologies such as Telehealth, Alberta Netcare (Alberta's electronic health record) and E-learning have helped to bridge gaps in care so that all Albertans can receive high quality care, regardless of where they live. There is an opportunity to invest strategically in technology development and commercialization to increase Alberta's productivity and global competitiveness. **Business Plan Linkage: Goal 6**

# STRATEGIC PRIORITIES 2007-10

Through the Ministry's review of external and internal challenges, the strategic priorities described below have been identified. These are in addition to the important ongoing core activities of the Ministry.

## GOVERNMENT PRIORITY – IMPROVE ALBERTANS' QUALITY OF LIFE

1. **Implement health care productivity reforms and sustainability initiatives.**

   **Linkage:**
   **Goals 2, 3, 5 and 6**

   Improve the confidence of Albertans in the health care system and ensure value-for-money in the delivery of health care through: continued implementation of an electronic health record for all Albertans; improved patient care with the implementation of Primary Care Networks and the development of new provider compensation methods; support for inter- and intra-regional collaboration in the delivery of services; and promote adoption of evidence-based decision making and best practices to improve access, system quality, productivity and outcomes. Effectiveness, efficiency and innovation will be achieved by pursuing opportunities to expand Telehealth, to re-think and reshape the roles of hospitals and to establish new ways of training and learning through innovations in virtual campuses and distance learning. Implement standards for continuing care and accommodation services that will better meet consumer expectations for access to and quality of care.

2. **Implement a new pharmaceutical strategy to improve management of drug expenditures and ensure access to sustainable government drug coverage.**

   **Linkage:**
   **Goals 2, 3 and 6**

   Pharmaceuticals, while an important component of healthcare, must be managed in the context of a fair, patient-centred healthcare system to optimize drug therapy and benefit all Albertans. In order to enable quality patient care and maintain drug program sustainability, Alberta must challenge the old way of doing business and adopt new strategies to improve patient outcomes, achieve equity and fairness, and implement needed cost controls.

3. **Strengthen public health services that promote wellness, prevent injury and disease and provide preparedness for public health emergencies.**

   **Linkage:**
   **Goals 1, 2, 5 and 6**

   Encourage Albertans to make healthier lifestyle choices. Provide Albertans with easier access to HealthLink and other information channels to increase awareness of health care and lifestyle choices. Promote healthy work environments; enhance efforts to prevent injury and accidents; protect Albertans against communicable diseases and environmental health risks; and prevent and treat addictions. Build on prevention through a variety of strategies.

## GOVERNMENT PRIORITY – MANAGE GROWTH PRESSURES

4. **Comprehensive workforce strategy to secure and retain health professionals.**

   **Linkage:**
   **Goals 2, 3, 4 and 5**

   Invest in state-of-the-art medical and diagnostic equipment, health facilities and information and technology infrastructure to attract more world class research and researchers, establish centres of medical excellence and further expand the health sector as a driver of innovation and economic activity. Development of new compensation models and promotion of flexibility in scopes of practice will lead to innovative and more cost effective models of care in conjunction with further development of partnerships to increase workforce capacity.

# CORE BUSINESSES, GOALS, STRATEGIES & PERFORMANCE MEASURES

The Ministry has set six goals within its three core businesses.

| Core businesses | Goals |
|---|---|
| **One: Advocate and educate for healthy living** | 1. Albertans make choices for healthier lifestyles<br>2. Albertans' health is protected |
| **Two: Provide quality health and wellness services** | 3. Improved access to health services<br>4 Contemporary health workforce<br>5. Improved health service outcomes |
| **Three: Lead and participate in continuous improvement in the health system** | 6. Health system efficiency, effectiveness, innovation and productivity |

## Core Business One: Advocate and educate for healthy living

GOAL ONE 1

### Albertans make choices for healthier lifestyles

**What it means** The health and wellness of Albertans are influenced by personal decisions about lifestyle behaviours, employment status, education, environment, early childhood development and genetic factors. The Ministry, in collaboration with other ministries, orders of government and community partners provides health information to Albertans and promotes healthy lifestyles and quality of life choices.

**Strategies**

1.1 Provide Albertans with health and lifestyle information that will help them make healthy choices to promote individual well-being and reduce the risk of disease and injury.

1.2 Increase healthy behaviours and reduce the risk of disease, illness, accident and injury through collaboration with community stakeholders to strengthen the capacity of individuals and communities to make choices that promote wellness and decrease health risks.

1.3 Reduce the harm associated with alcohol, other drugs and gambling by making addiction information, prevention services and treatment services available province-wide.

1.4 Better address the health needs of children, youth, seniors, Aboriginal communities and Albertans with disabilities or who are disadvantaged, by working more closely with other ministries.

1.5 Explore options and potential benefits of incentives to encourage individuals, families and communities to make healthy lifestyle choices and to end behaviours that contribute to negative health outcomes.

| Performance Measures | Last Actual (year) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 1.a **Self-reported health status:** Percentage of Albertans reporting they are in "excellent, very good, or good" health[1] | | | | |
| • 18-64 years of age | 88 (2006) | 90 | 90 | 90 |
| • 65 years and older | 86 (2006) | 80 | 80 | 80 |
| 1.b **Life Expectancy:** Life expectancy at birth (years)[2] | | | | |
| • Male | 77.6 (2005) | 78 | 78 | 78 |
| • Female | 82.7 (2005) | 83 | 83 | 83 |
| 1.c **HIV Rates:** Age adjusted rate of newly reported HIV cases (per 100,000 people)[3] | 5.2 (2005) | 5.6 | 5.5 | 5.4 |
| 1.d **STI Rates**: Age adjusted rate of newly reported infections (per 100,000 people)[3] | | | | |
| • Syphilis | 4.5 (2005) | 4.5 | 4.5 | 4.3 |
| • Gonorrhea | 48 (2005) | 70 | 70 | 60 |
| • Chlamydia | 274 (2005) | 300 | 290 | 280 |
| 1.e **Birth Weight:** Percentage of low birth weight babies[4] | 6.4 (2003-05) | 6.0 | 5.8 | 5.8 |
| 1.f **Exercise:** Percentage of Albertans age 12 and over who are "active or moderately" active[5] | 55 (2005) | 65 | 65 | 70 |
| 1.g **Healthy Eating:** Percentage of Albertans age 12 and over who eat at least 5 servings of fruit and vegetables each day[5] | 39 (2005) | 42 | 42 | 47 |
| 1.h **Healthy Weight:** Percentage of Albertans age 18 and over with "acceptable" body mass index (BMI)[5, 6] | 46 (2005) | 51 | 51 | 53 |
| 1.i **Diabetes:** Number of new cases of diabetes (per 1,000 population at risk)[5, 7] | | | | |
| • General population | 4.3 (2005) | 4.3 | 4.3 | 4.2 |
| • First Nations population | 8.3 (2005) | 8.7 | 8.7 | 8.6 |
| 1.j **Alcohol Consumption:** Percentage of Alberta women who consumed alcohol during pregnancy[8] | 3.7 (2004) | 3.2 | 3.0 | 2.7 |

**Notes:**

1 Self-reported health status is a good indicator of the health and well-being of Albertans. How people rate their own health is affected by a variety of factors including chronic disease, disability, temporary illness and mental health. The 2006 results for those 65 years and over may have been influenced by the changes in survey methodology, therefore, targets have been established based on a trend of the previous five years of data.

2 Life expectancy at birth indicates how long a newborn would be expected to live if health and living conditions remain unchanged. It reflects an equitable distribution of wealth in the population, good nutrition, education and environmental conditions.

3 Due to the rising rate of all STIs, a further rise is anticipated in both STI and HIV, potentially peaking in 2008 and then declining. These increasing rates are similar nationally and internationally. The targets represent a slowing in the rate of increase.

4 A low birth weight is 2500 grams or less. Low birth weight babies are more likely to have birth related complications, disabilities and other health problems. They are also at a greater risk of having developmental delays and health problems.

5 Chronic diseases such as cancer and diabetes are leading causes of death in Alberta and the greatest drain on our health care resources. The most common chronic diseases are linked by a few risk factors: unhealthy eating, lack of exercise, tobacco use and substance abuse. If we can make healthier choices we can move closer to the vision of Albertans are healthy and live, work and play in a healthy environment. The results for these measures are obtained from the Statistics Canada Canadian Community Health Survey which occurs every 2 years.

6 An "acceptable" BMI falls in the normal weight range. There are four categories of BMI ranges in the Canadian weight classification system. They are: underweight (BMIs less than 18.5); normal weight (BMIs 18.5 to 24.9); overweight (BMIs 25 to 29.9), and obese (BMI 30 and over). Most adults with a high BMI (overweight or obese) have a high percentage of body fat. Extra body fat is associated with increased risk of health problems such as diabetes, heart disease, high blood pressure and some cancers.

7 This measure is a proxy for Type 2 diabetes, which accounts for 90 to 95 per cent of all diabetes cases. Health Canada and the American Diabetes Association use the incident rate of diabetes as a proxy for monitoring the incidence of type 2 diabetes. The Ministry uses this measure to evaluate screening and health promotional programs for diabetes, especially Type 2 Diabetes.

8 Consuming alcohol during pregnancy can result in fetal alcohol spectrum disorder (FASD). A baby born with FASD can have serious handicaps and therefore could require a lifetime of special care. Alberta's goal is to have zero per cent of women consume alcohol during pregnancy by 2012.

## GOAL TWO 2 Albertans' health is protected

**What it means** The Ministry monitors the health status of Albertans and the health system and provides leadership and planning for prevention services such as immunization, environmental health and health education services delivered through health authorities and other partners. Albertans need to know their health system is ready and able to protect them. The Ministry provides support and leadership in the development of the overall provincial response and emergency plans to deal with outbreaks and health threats. These services help to protect Albertans from diseases, accidents, injuries and addictions.

**Strategies**

2.1 Reduce suicide and the risk of serious injury through education and targeted interventions in collaboration with other agencies.

2.2 Protect Albertans against communicable diseases by strengthening the health system's capacity to prevent, prepare for and respond to public health risks.

2.3 Improve access to disease screening and prevention services.

2.4 Protect the safety and well-being of Albertans in collaboration with other ministries and health stakeholders during the course of environmental impact assessments associated with rapid industrial growth and significant expansion in the province's energy sector.

2.5 Put Alberta at the forefront of cancer prevention, screening and research, in part, through utilization of funding from the Alberta Cancer Prevention Legacy Fund.

2.6 Develop an infection prevention and control strategy and work with other ministries and stakeholders to reduce the transmission of infection in the provision of health care and community services such as day care.

| Performance Measures | Last Actual (year) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 2.a **Mortality Rates:**[1] | | | | |
| • Land Transport Accidents (per 100,000 population) | 12.2 (2005) | 12.0 | 12.0 | 12.0 |
| • Suicide (per 100,000 population) | 13.7 (2005) | 13.7 | 13.5 | 13.3 |
| 2.b **Childhood immunization coverage rates:**[2] (Percentage covered by 2 years of age) | | | | |
| • Diphtheria, tetanus, pertussis, polio, Hib | 82 (2005) | 93 | 97 | 97 |
| • Measles, mumps, rubella | 91 (2005) | 96 | 98 | 98 |
| 2.c **Influenza vaccination:** [3] | | | | |
| • Percentage of seniors who have received the recommended annual influenza (flu) vaccine | 68 (2006) | 75 | 75 | 75 |
| • Percentage of children 6 to 23 months old who have received the recommended annual influenza (flu) vaccine | 59 (2005) | 75 | 75 | 75 |
| 2.d **Screening rate for breast cancer:** Percentage of women age 50 to 69 years old receiving a mammography every two years[4] | 72 (2005) | 75 | 75 | 75 |

**Notes:**

1 Raise awareness of the significant burden motor vehicle collisions and suicide have on society and assure Albertans that actions will be taken to impact these behaviours. Along with Infrastructure and Transportation and the RCMP, the Ministry funds and supports the work of the Alberta Occupant Restraint Program through the Alberta Centre for Injury Control and Research.

2 Providing immunizations for childhood vaccine-preventable diseases is a major activity of the public health system. Immunizations protect children and adults from a number of vaccine-preventable diseases, some of which can be fatal or produce permanent disabilities. A high rate of coverage is needed to protect the entire community from outbreaks of these diseases. Immunizations also provide the parents of young children with the opportunity to obtain other needed health information and advice during clinic visits. The targets were developed in accordance with national standards as outlined in the Alberta Immunization Manual, 2001.

3 Influenza has a significant seasonal impact on the health of Albertans and tends to be most severe among young children, older Albertans, residents of long-term care facilities and those with certain chronic conditions. Illness and death from influenza is more likely in these populations, which ultimately impacts the acute care hospitals and emergency departments.

4 Education and screening reduces the rate of breast cancer among women from 50-69 years of age. The screening rate is an appropriate indicator of the effectiveness of the health system to detect cancer as soon as possible. This measure includes screening mammograms and mammograms for other reasons received over the past two years.

## Core Business Two: Provide quality health and wellness services

### GOAL THREE 3 Improved access to health services

**What it means** Albertans expect reasonable access to health services where and when they are needed. Working with health authorities and service providers, Health and Wellness sets policy and develops wait-time targets for the health system to improve management of service delivery. Improving access to health services means the Ministry works with partners throughout Alberta to improve integration, to streamline processes throughout the continuum of care, to communicate best practices and to share resources and information so that all citizens benefit from more efficient and effective health service delivery and improved health outcomes.

**Strategies**

3.1 Enable more Albertans to age-in-place in their homes and communities through development of a comprehensive continuing care services model in collaboration with the Ministry of Seniors and Community Supports.

3.2 Support the community-based implementation of the Provincial Mental Health Plan and new patient activity reporting requirements in partnership with the Alberta Mental Health Board, regional health authorities and other stakeholders.

3.3 Improve patient care and service delivery through increased coordination and collaboration between and among Alberta's regional health authorities and provincial health boards.

3.4 Improve access, in general, to specialists, all elective surgery and regional programs and, specifically, to cancer care, children's mental health services, heart and cataract surgeries and diagnostic services so as to meet, or beat, national benchmarks.

3.5 Increase access to primary health care by changing how these services are organized, funded, delivered and measured.

3.6 Increase access to health facilities and services by developing and implementing regional, long-term capital plans in partnership with health authorities and other ministries.

| Performance Measures | Last Actual (year) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 3.a **Wait Times:** Regional Health Authority achievement of wait time goals (in weeks)[1, 2] | | | | |
| • Hip replacement surgery | 48 (2006) | 26 | 26 | 26 |
| • Knee replacement surgery | 60 (2006) | 26 | 26 | 26 |
| • Heart Surgery (CABG) | 15 (2006) | 26 | 26 | 26 |
| • Cataract Surgery | 34 (2006) | 16 | 16 | 16 |
| • MRI | 18 (2006) | 14 | 12 | 12 |
| • CT | 8 (2006) | 8 | 8 | 8 |
| 3.b **Wait Times:** Children's Mental Health Services achievement of wait time goals. (in weeks)[1, 3] | 12 (2004-05) | 12 | 11 | 10 |
| 3.c **Number of persons waiting for long term care facility placement:**[1] | | | | |
| • In acute hospital | 251 (2006) | 242 | 230 | 225 |
| • Urgent in community | 265 (2006) | 233 | 221 | 220 |
| 3.d **Percentage of Albertans who have used Health Link Alberta**[4] | 39 (2006) | 39 | 40 | 41 |

**Notes:**

1 Providing reasonable access to needed health services is a major objective and a defining attribute of the publicly funded health system. Longer waits affect health status and quality of life and result in more costly health services. Albertans requiring emergency services are not placed on wait lists.

2 Data obtained from the Alberta Waitlist Registry. Wait time targets for hip and knee replacement surgery, Coronary Artery Bypass Graft (CABG) and cataract surgery were developed at a national level by the Provincial and Territorial Ministers of Health, while MRI and CT targets were developed by Alberta. Excludes emergency patients. Wait times are presented as the 90th percentile. 90th percentile means 90 per cent of patients waited that long or less.

3 Data obtained and collected by the Alberta Mental Health Board (AMHB). Data is presented for children who were enrolled or seen in a clinic or program during the fiscal year. The targets are developed by the AMHB. Wait times are presented as the 90th percentile. 90th percentile means 90 per cent of patients waited that long or less.

4 Health Link Alberta is a 24 hours a day, seven days a week service which provides Albertans with access to general health and service information from a registered nurse.

## GOAL FOUR 4 Contemporary health workforce

**What it means** Provide strong leadership by implementing a comprehensive, contemporary workforce strategy designed to retain, attract and train the qualified and integrated health workforce needed to meet the current and future health care needs of Albertans.

**Strategies**

4.1 Develop, coordinate and implement health workforce plans, in collaboration with health system stakeholders, to ensure workforce needs are met for at least the next 10 years.

4.2 Address health workforce demand by working with key stakeholders to develop or expand health service provider retention, recruitment, education, training and compensation programs.

4.3 Promote innovation in service delivery and compensation, emphasizing multidisciplinary teams to encourage care practitioners to work collaboratively with regional health authorities, professional organizations and through the Tri-lateral Master Agreement and Primary Care Networks.

4.4 Promote effective and efficient utilization of the health workforce; encourage interdisciplinary understanding of scopes of practice for care providers and strive to enable all healthcare practitioners to work to their full scopes of practice.

4.5 Increase rural access to health care practitioners and multidisciplinary teams.

4.6 Secure a new legislative framework for governing regulated health service providers through implementation of the *Health Professions Act*.

| Performance Measures | Last Actual (year) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| **4.a Number of physicians in Alternate Relationship Plans**[1] | | | | |
| • Non-academic | 277 (2006) | 750 | 1,100 | 1,500 |
| • Academic | 444 (2006) | 510 | 530 | 550 |
| **4.b Number of postgraduate medical seats**[2] | 955 (2006) | 1,103 | 1,162 | 1,219 |
| **4.c Number of health workforce practitioners**[3] | 49,691 (2005) | 52,600 | 54,000 | 55,200 |
| **4.d Proportion of Albertans who have a family doctor** (percentage of total population)[4] | 81 (2006) | 88 | 90 | 90 |

**Notes:**

1 Successful achievement of this measure will indicate that larger numbers of health services are being delivered to Albertans in models of collaborative, multidisciplinary and integrated practice. Alternate Relationship Plans are new physician compensation models that offer flexibility from volume driven fee-for-service payments. They support greater use of multidisciplinary teams and other changes to improve overall patient care.

2 Increasing the number of education seats for physicians should result in more licensed physicians. More physicians improve access to physician services and reduce wait times.

3 Physicians, nurses (registered nurses, licensed practical nurses, registered psychiatric nurses), pharmacists and rehabilitation professionals (physiotherapists, occupational therapists, respiratory therapists) are included. This goal measures the growth selected health professions as a proxy for the entire health workforce. Increasing the health workforce helps to reduce wait times and improve access to services.

4 The proportion of Albertans who have a family doctor is rising and encompasses a solid majority of residents. A family doctor who knows his/her patients' history and health issues is in the best position to work with patients and their families to reduce the risk of disease and attain their health goals.

## GOAL FIVE 5 Improved health service outcomes

**What it means** Albertans expect the best possible care and outcomes when they use the health system. In partnership with health service providers and communities, the Ministry works to improve and assure quality at all levels of service delivery and health promotion. The Ministry continually develops and updates standards, monitors compliance with standards to ensure the quality of programs and services, and develops new initiatives in response to technological advances, demographic changes and other factors.

**Strategies**

5.1 Help Albertans with chronic health conditions maintain optimum health through appropriately managed and coordinated care provided by both private and voluntary support systems.

5.2 Improve access to and quality of continuing care services through implementation of standards and compliance enforcement.

5.3 Strengthen the health system's capacity to define, identify, report, monitor and prevent hospital or community acquired infections, adverse events and medical errors.

5.4 Improve performance of Alberta's health system through public reporting of information from the Health Quality Council of Alberta, including patient/client feedback.

5.5 Improve performance and accountability in emergency medical services by providing leadership, establishing standards and fostering more integrated and efficient relationships among emergency medical service providers, municipalities and regional health authorities.

| Performance Measures | Last Actual (year) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 5.a **Ambulatory Care Sensitive Conditions hospitalization rates** (per 100,000 age standardized population)[1] | 430 (2005) | 400 | 400 | 400 |
| 5.b **30-day heart attack survival rate** (in per cent) for patients treated in hospital (three-year average for data)[2] | 91 (2002-05) | 92 | 92 | 92 |
| 5.c **5-Year Cancer survival rates:** (in per cent)[3] | | | | |
| • Breast cancer survival rate (female rate only) | 85 (1998-2003) | 85 | 86 | 87 |
| • Colorectal cancer survival rate (male and female) | 55 (1998-2003) | 60 | 60 | 60 |

**Notes:**

1 Hospitalization rates for chronic conditions like asthma, diabetes, depression, hypertension, neurosis and alcohol and drug dependencies. Albertans need to be assured that their health system is ready and able to treat those with chronic health conditions to maintain optimum health through appropriately managed and coordinated care.

2 Albertans expect the best care and outcomes whenever they use the health system. The 30-day survival rate for heart attacks is an appropriate measure of the quality of health care the system provides in its hospitals.

3 Survival rates are important not only because they indicate the proportion of people who will be alive at a given point after they have been diagnosed with cancer, but also because they may allow the effectiveness of cancer control programs to be evaluated.

## Core Business Three: Lead and participate in continuous improvement in the health system

GOAL SIX 6

## Health system efficiency, effectiveness, innovation and productivity

**What it means** Alberta's complex health system is challenged by continuous change, rising costs, population growth and increased public expectations. Health system innovation can best be achieved in collaboration with stakeholders and the Alberta public, through an effective coordination of efforts and clear, timely communication.

**Strategies**

6.1 Implement a new pharmaceutical strategy to improve the management of government drug expenditures to give Albertans access to sustainable drug coverage while protecting them from catastrophic drug costs.

6.2 Enhance and clarify the accountability relationships and mechanisms within the health system.

6.3 Strengthen the public health system through implementation of the provincial public health strategic plan.

6.4 Lead in further enhancing and defining the quality, security and privacy of health data and information in cooperation with health system stakeholders.

6.5 Position Alberta's interests at the forefront of collaborative federal-provincial initiatives by working with key partners and stakeholders at the federal and provincial levels of government.

6.6 Enhance the sustainability of the publicly funded health system through collaborative initiatives to strengthen communication, integration and coordination across ministries and among health authorities.

6.7 Build capacity to measure, monitor and report health system costs.

6.8 Establish a health system performance framework consistent with best practices and international benchmarks.

6.9 Maximize the benefits received from investing in health care by assessing the efficiency of regional health authority operations and establishing permanent mechanisms for periodic reviews of regional health authority efficiency, effectiveness and governance.

6.10 Improve provision of quality patient care by supporting wider distribution and uptake of new health information technologies and standardized business processes throughout the health system.

6.11 Strengthen evidence-based decision-making in determining whether to fund health services, technologies, devices and pharmaceuticals from public funds.

6.12 Foster a climate for made-in-Alberta health products, services, research and intellectual property to further develop the role of the health sector as an economic driver.

6.13 Continue to support policy development through the ongoing development of legislation and a legislative framework for health care delivery that aligns with the *Health Policy Framework* and is responsive to future policy initiatives.

6.14 Develop a strategy that responds to short and long term pressures stemming from the rapid and sustained oil sands development.

| Performance Measures | Last Actual (year) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 6.a **Public Rating of health system overall** (percentage responding "good" or "excellent")[1] | 65 (2006) | 69 | 70 | 70 |
| 6.b **Number of care providers accessing the Electronic Health Record**[2] | 8,980 (2005) | 15,000 | 20,000 | 21,000 |
| 6.c **Access to data:** Percentage of stakeholders reporting easy access to information[3] | 81 (2006) | 85 | 90 | 90 |
| 6.d **Household spending on drugs:** Percentage of households spending over five per cent of household income after taxes on prescription drugs[4] | 2.7 (2005) | 2.5 | 2.5 | 2.5 |

**Notes:**

1 Albertans perceptions about the health system or experiences within the health system may contribute to their judgments about quality of service including timeliness, competence, safety, health outcomes and communication between patient and provider.

2 This is a clinical health information network that links community physicians, pharmacists, hospitals and other authorized health care professionals across the province. It lets these health care practitioners see and update health information such as a patient's allergies, prescriptions and lab tests. As more providers access the system, more consistent care and improved treatment decisions will result.

3 Albertans want to know that stakeholders get the information they need to work effectively and efficiently, and to make the best decisions on how to improve the health system.

4 Prescription drugs are a major component of health care and some treatments can be very expensive. Compared to other provinces Albertans are younger on average and enjoy one of the highest average household incomes. As well, 73 per cent of Albertans have insurance coverage for prescription drugs through either a public or private plan.

# EXPENSE BY CORE BUSINESS

(thousands of dollars)

| | Comparable | | | | | |
|---|---|---|---|---|---|---|
| | **2005-06 Actual** | **2006-07 Budget** | **2006-07 Forecast** | **2007-08 Estimate** | **2008-09 Target** | **2009-10 Target** |
| Advocate and Educate for Healthy Living | 195,754 | 243,109 | 243,109 | 285,086 | 257,273 | 260,820 |
| Provide Quality Health and Wellness Services | 8,974,414 | 9,774,017 | 10,185,253 | 11,497,927 | 12,088,879 | 12,346,124 |
| Lead and Participate in Continuous Improvement in the Health System | 401,807 | 301,374 | 306,289 | 262,278 | 267,153 | 257,825 |
| **MINISTRY EXPENSE** | 9,571,975 | 10,318,500 | 10,734,651 | 12,045,291 | 12,613,305 | 12,864,769 |

# MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

| | Comparable | | | | | |
|---|---|---|---|---|---|---|
| | **2005-06 Actual** | **2006-07 Budget** | **2006-07 Forecast** | **2007-08 Estimate** | **2008-09 Target** | **2009-10 Target** |
| **REVENUE** | | | | | | |
| Internal Government Transfers | 345,291 | 387,803 | 387,803 | 304,497 | 411,236 | 418,018 |
| Transfers from Government of Canada: | | | | | | |
| Canada Health Transfer | 1,543,749 | 1,743,895 | 1,453,207 | 1,701,759 | 1,842,108 | 1,995,313 |
| Wait Times Reduction | 62,908 | 121,335 | 121,335 | 121,889 | 61,222 | 27,183 |
| Diagnostic / Medical Equipment | 49,690 | - | - | - | - | - |
| Other | 182,710 | 22,540 | 20,682 | 4,709 | 4,909 | 5,165 |
| Investment Income | 13,998 | 6,000 | 21,000 | 16,000 | 16,000 | 8,000 |
| Premiums, Fees and Licences | 922,652 | 906,588 | 937,521 | 944,588 | 960,588 | 973,588 |
| Other Revenue | 107,553 | 98,535 | 103,143 | 103,706 | 101,380 | 86,880 |
| **MINISTRY REVENUE** | 3,228,551 | 3,286,696 | 3,044,691 | 3,197,148 | 3,397,443 | 3,514,147 |
| **EXPENSE** | | | | | | |
| **Program** | | | | | | |
| Health Authority Services | 5,569,741 | 5,898,125 | 6,010,125 | 6,583,989 | 6,877,786 | 7,157,612 |
| Mental Health Innovation | 24,999 | 25,000 | 25,000 | 25,000 | - | - |
| Total Health Authority Services | 5,594,740 | 5,923,125 | 6,035,125 | 6,608,989 | 6,877,786 | 7,157,612 |
| Physician Services | 1,757,453 | 1,920,772 | 2,067,772 | 2,431,139 | 2,477,611 | 2,525,013 |
| Non-Group Health Benefits | 586,546 | 689,576 | 668,139 | 732,010 | 816,889 | 932,451 |
| Allied Health Services | 74,457 | 82,930 | 81,830 | 93,234 | 103,964 | 108,229 |
| Protection, Promotion and Prevention | 88,998 | 127,180 | 127,180 | 167,363 | 138,031 | 139,796 |
| Human Tissue and Blood Services | 118,684 | 131,700 | 131,700 | 135,000 | 142,000 | 149,000 |
| Provincial Programs | 330,932 | 349,646 | 370,782 | 373,756 | 596,987 | 828,196 |
| Addiction Prevention and Treatment Services | 77,444 | 94,667 | 94,667 | 96,361 | 98,100 | 99,882 |
| Ministry Support Services | 146,886 | 174,196 | 173,001 | 180,333 | 181,661 | 184,251 |
| Health Information Systems | 243,625 | 147,786 | 153,896 | 102,653 | 105,980 | 94,062 |
| Infrastructure Support | 503,904 | 610,559 | 760,559 | 1,058,090 | 1,007,933 | 579,914 |
| Cancer Research and Prevention Investment | - | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 |
| Health Care Insurance Premiums Revenue Write-Offs | 47,047 | 41,363 | 45,000 | 41,363 | 41,363 | 41,363 |
| Valuation Adjustments and Other Provisions | 1,259 | - | - | - | - | - |
| **MINISTRY EXPENSE** | 9,571,975 | 10,318,500 | 10,734,651 | 12,045,291 | 12,613,305 | 12,864,769 |
| Gain (Loss) on Disposal and Write Down of Capital Assets | - | - | - | - | - | - |
| **NET OPERATING RESULT** | (6,343,424) | (7,031,804) | (7,689,960) | (8,848,143) | (9,215,862) | (9,350,622) |

# CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

| | Comparable | | | | | |
|---|---|---|---|---|---|---|
| | 2005-06 Actual | 2006-07 Budget | 2006-07 Forecast | 2007-08 Estimate | 2008-09 Target | 2009-10 Target |
| Ministry Revenue | 3,228,551 | 3,286,696 | 3,044,691 | 3,197,148 | 3,397,443 | 3,514,147 |
| *Inter-ministry consolidation adjustments* | (345,514) | (387,803) | (387,803) | (304,497) | (411,236) | (418,018) |
| **Consolidated Revenue** | 2,883,037 | 2,898,893 | 2,656,888 | 2,892,651 | 2,986,207 | 3,096,129 |
| Ministry Expense | 9,571,975 | 10,318,500 | 10,734,651 | 12,045,291 | 12,613,305 | 12,864,769 |
| *Inter-ministry consolidation adjustments* | (573) | (200) | (350) | (200) | (200) | (200) |
| **Consolidated Expense** | **9,571,402** | **10,318,300** | **10,734,301** | **12,045,091** | **12,613,105** | **12,864,569** |
| Gain (Loss) on Disposal and Write Down of Capital Assets | - | - | - | - | - | - |
| **CONSOLIDATED NET OPERATING RESULT** | (6,688,365) | (7,419,407) | (8,077,413) | (9,152,440) | (9,626,898) | (9,768,440) |

# CAPITAL INVESTMENT BY CORE BUSINESS

(thousands of dollars)

| | Comparable | | | | | |
|---|---|---|---|---|---|---|
| | 2005-06 Actual | 2006-07 Budget | 2006-07 Forecast | 2007-08 Estimate | 2008-09 Target | 2009-10 Target |
| Advocate and Educate for Healthy Living | 30,210 | 31,778 | 31,778 | 31,778 | 31,778 | 31,778 |
| Lead and Participate in Continuous Improvement in the Health System | 12,048 | 44,000 | 29,871 | 42,143 | 30,000 | 30,000 |
| **MINISTRY CAPITAL INVESTMENT** | 42,258 | 75,778 | 61,649 | 73,921 | 61,778 | 61,778 |

# CAPITAL INVESTMENT BY PROGRAM

(thousands of dollars)

| | Comparable | | | | | |
|---|---|---|---|---|---|---|
| | 2005-06 Actual | 2006-07 Budget | 2006-07 Forecast | 2007-08 Estimate | 2008-09 Target | 2009-10 Target |
| Protection, Promotion and Prevention | 30,091 | 31,600 | 31,600 | 31,600 | 31,600 | 31,600 |
| Addiction Prevention and Treatment Services | 119 | 178 | 178 | 178 | 178 | 178 |
| Ministry Support Services | 2,500 | - | - | 4,100 | - | - |
| Health Information Systems | 9,548 | 44,000 | 29,871 | 38,043 | 30,000 | 30,000 |
| **MINISTRY CAPITAL INVESTMENT** | 42,258 | 75,778 | 61,649 | 73,921 | 61,778 | 61,778 |

# ALBERTA ALCOHOL AND DRUG ABUSE COMMISSION (AADAC)

## BUSINESS PLAN 2007-10

The Alberta Alcohol and Drug Abuse Commission (the Commission) is mandated by the *Alcohol and Drug Abuse Act* to operate and fund services addressing alcohol, other drug and gambling problems, and to conduct related research. AADAC is an agency of the Government of Alberta reporting to the Minister of Health and Wellness. The Commission is governed by a board of directors consisting of up to 12 members appointed by the Lieutenant Governor in Council. The board chair is a Member of the Legislative Assembly. The Commission board provides policy direction for AADAC programs and services.

## VISION

*A healthy society that is free from the harmful effects of alcohol, other drugs and gambling.*

## MISSION

Making a difference in people's lives by assisting Albertans to achieve freedom from the harmful effects of alcohol, other drugs and gambling.

## STRATEGIC PRIORITIES 2007-10

AADAC contributes to the goals and objectives of the Government of Alberta by delivering responsive and affordable programs and services that promote healthy living. Through the Commission's review of external and internal challenges, and in addition to AADAC's core activities, the Commission has identified the following strategic priorities for 2007-2010.

1. Review existing addiction programs to ensure effective and efficient delivery of services.
2. Ensure the ongoing sustainability of addiction services across the province.
3. Emphasize youth programs and services for families.
4. Renew the focus on alcohol as a key issue in the health of Albertans.
5. Provide specialized programming for problem gambling, tobacco reduction and methamphetamine use.
6. Support employee wellness initiatives.

## CORE BUSINESSES, GOALS AND PERFORMANCE MEASURES

### Core Business One: Information

AADAC provides Albertans with current and accurate information on alcohol, other drugs and gambling. Information management and dissemination creates greater awareness of addiction issues and AADAC services, and is required to support the development and delivery of prevention and treatment programming. Information and resource materials are available through AADAC offices and clinics, and are accessible on the AADAC website at: www.aadac.com.

## GOAL ONE 1 To inform Albertans about alcohol, other drug and gambling issues, and AADAC services

| Performance Measures | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 1.a **Percentage of Albertans who are aware of AADAC services** | 88 | 90 | 90 | 90 |
| 1.b **Percentage of women who are aware that alcohol use during pregnancy can lead to life-long disabilities in a child** | 98 | 99 | 99 | 99 |

## Core Business Two: Prevention

AADAC provides programs and services that are designed to prevent alcohol, other drug and gambling problems, and reduce the harm associated with substance abuse and problem gambling. Prevention strategies are intended to increase protective factors and reduce risk factors for the population as a whole, and within specific groups.

## GOAL TWO 2 To prevent the development of and reduce the harm associated with alcohol, other drug and gambling problems

| Performance Measures | Last Actual (2005) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 2.a **Prevalence of smoking among Alberta youth** (per cent) | 11 | 10 | 10 | 10 |
| 2.b **Prevalence of regular, heavy drinking among young Albertans** (per cent) | 31 | 30 | 30 | 30 |

## Core Business Three: Treatment

AADAC offers a broad continuum of treatment services that assist Albertans to improve or recover from the harmful effects of alcohol, other drug and gambling problems. Treatment is aimed at adults, youth and their families who are displaying significant problems. Services include community-based outpatient counseling, day programs, crisis and detoxification services, short and long-term residential treatment, and overnight shelter. Specialized programs are available for youth, women, aboriginals, business and industry referrals, persons with opioid dependency or cocaine addiction and individuals affected by family violence.

## GOAL THREE 3 To provide treatment programs and services that assist Albertans to improve or recover from the harmful effects of alcohol, other drug and gambling problems

| Performance Measures | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 3.a **Percentage of clients satisfied with treatment services** | 96 | 95 | 95 | 95 |
| 3.b **Percentage of clients reporting they were improved following treatment** | 91 | 93 | 93 | 93 |

# Infrastructure and Transportation

## BUSINESS PLAN 2007-10

## ACCOUNTABILITY STATEMENT

The business plan for the three years commencing April 1, 2007 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as of March 26, 2007 with material economic or fiscal implications of which I am aware have been considered in preparing the business plan.

The Ministry's priorities outlined in the business plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this business plan.

Luke Ouellette, *Minister of Infrastructure and Transportation*
March 28, 2007

## THE MINISTRY

Infrastructure and Transportation consists of the budget entity of the Department of Infrastructure and Transportation. The Ministry's responsibilities are wide-ranging; from managing provincial transportation safety programs, to building and managing government-owned infrastructure, including the provincial highway network and facilities that support government operations. Management of numerous grant programs, including municipal transportation, water/wastewater, and administration of the Natural Gas Rebate Program are all part of our mandate. The Ministry supports partner ministries in planning, evaluating and implementing major capital projects; acquires and disposes of property; provides leasing and space planning for government facilities; and manages the Swan Hills Treatment Centre.

The Ministry also includes the Transportation Safety Board, which adjudicates on commercial carrier compliance, is the final administrative authority charged with making operator licence determinations, handles appeals of licence suspensions and vehicle seizures and is responsible for hearings under the *Railway (Alberta) Act*. While the Board reports to the Minister of Infrastructure and Transportation, formal decisions are made independently in accordance with the governing legislation.

## VISION

*Infrastructure and Transportation is a Centre of Excellence providing effective infrastructure to support Alberta's growth and prosperity.*

## MISSION

We contribute to Alberta's economic prosperity and quality of life through the provision and support of effective, safe, innovative and sustainable transportation, public buildings, and water and wastewater infrastructure.

## LINK TO THE GOVERNMENT OF ALBERTA STRATEGIC BUSINESS PLAN

### Links to goals in the Government of Alberta Strategic Business Plan

**Goal 1: Alberta will have a prosperous economy**

- The Ministry provides assistance to rural municipalities in accommodating new resource and industry related traffic, and the provision of facilities to support the delivery of government programs.

**Goal 2: Albertans will be well prepared for lifelong learning**

- The Ministry provides technical expertise to partner ministries and boards to ensure schools and post-secondary facilities meet program needs.

**Goal 3: The high quality of Alberta's environment will be sustained**

- The Ministry sustains the quality of the province's environment by supporting the operation of the Swan Hills Treatment Centre to dispose of hazardous wastes, and by undertaking efforts to reduce the environmental impact of Ministry activities.

**Goal 4: Alberta will have a financially stable, open and accountable government and maintain its strong position nationally and internationally**

- The Ministry supports this goal by effectively planning and managing government owned and operated facilities and implementing innovative technologies to increase energy efficiency and reduce operating costs.

**Goal 5: Albertans will be healthy**

- The Ministry works with Health and Wellness and the health regions to plan and implement the most appropriate facility solutions to meet health delivery needs.

**Goal 7: Alberta will be a safe place to live, work and raise families**

- The Ministry will continue to implement the Alberta Traffic Safety Plan to ensure effective driver education services and standards are in place and improve transportation safety. The Ministry will maintain safe facilities that support government programs.

**Goal 9: Alberta will have strong and effective municipalities and self-reliant Aboriginal communities**

- The Ministry will deliver existing and emerging funding and grant programs to support municipal and local government infrastructure needs.

**Goal 10: Alberta will have effective and efficient transportation infrastructure**

- The Ministry has a plan that addresses future infrastructure investment and current needs to support economic growth while maintaining existing infrastructure. The Ministry also contributes to this goal by supporting the province's capital planning process and implementing approved projects.
- The Ministry supports strong, effective partnerships through collaboration with other jurisdictions to develop national and multi-jurisdictional transportation and aviation strategies and foster integrated multi-modal transportation systems.

## SIGNIFICANT OPPORTUNITIES AND CHALLENGES

### Maintaining Existing Infrastructure

It is critical for the province to balance the need for ongoing maintenance and rehabilitation of existing capital assets, with the need to invest in various types of infrastructure to accommodate growth and economic pressures. Major repair can be expected to cost more than routine maintenance, and complete or total replacement can cost up to five times that of repair. Regular maintenance protects and extends the useful life of provincial infrastructure.

Infrastructure and Transportation must address a growing infrastructure debt. Although a significant increase in capital funding has been provided for new capital projects, resolving infrastructure deficiencies will take time. The Ministry will continue to pursue new ways of providing cost-effective infrastructure, such as public-private partnerships (P3s) and other alternative financing opportunities. As new infrastructure is built to accommodate the province's population growth, a corresponding increase in operation and maintenance costs will arise.

### Proposed Infrastructure

Alberta is in the fortunate situation of having the strongest economy in Canada, which has allowed the government to significantly increase its investment in provincially owned and operated infrastructure. The results of these investments have not always been readily apparent to the public because building communities takes time, especially in light of shortages in the construction industry. A measured response to the calls for new buildings and roads is required due to competing priorities across government. Infrastructure and Transportation takes all factors, including public interest, into consideration when evaluating and prioritizing proposed projects.

### Cost Increases/Tight Labour Market

The construction industry has greatly benefited from Alberta's hot economy; however, a number of challenges have occurred. Continuing global increases in the price of construction materials are contributing to steady cost escalation for the construction of buildings, roads, bridges and other infrastructure. Some projects have few or no tenders bid due to the demand on construction companies. These market condition factors are adding 10 to 25 per cent per year to project costs, and this trend is expected to continue in the near future.

Mega projects and significant new provincial and federal infrastructure programs are also contributing to increasing inflation and construction prices for all types of infrastructure. Wage rates are under stress due to Alberta's low unemployment rate, high labour participation rate and rising construction volumes. An aging labour force within the related industries is expected to result in greater constraints beyond those currently being experienced.

### Driver Behaviour

The amount of traffic in Alberta continues to rise due to an increasing population and growing economy, and will impact the efficiency of Alberta's roads and safety of the road users. Greater public awareness of road safety is resulting in pressure on the provincial government to address road safety issues, improve highway infrastructure, implement new technologies and address driver behaviour and attitudes. Continued efforts in the areas of public education, information and outreach are needed to identify and work with high-risk drivers on intervention strategies to reduce collisions, as well as resulting injuries and fatalities. The Alberta Traffic Safety Plan will assist in these areas.

### Economic and Population Growth and Changing Demographics

Most areas of the provincial transportation network continue to experience increased demand due to the growth of the economy and population. Population shifts from rural to urban areas result in high demand for facilities in growth areas and some underutilization of facilities in declining areas. These shifts are also noticeable within Edmonton and Calgary. An imbalance of economic growth in Alberta is creating additional pressures in certain parts of the province. Developments in the Regional Municipality of Wood Buffalo generate revenues to the province, and growth in the region is creating substantial pressure to expand local infrastructure. Communities situated along the Queen Elizabeth II Highway Corridor continue to experience significant growth. The Ministry is working with municipal partners in rural and urban areas to seek collaborative solutions to the challenges of residential, commercial and industrial development.

**Environmental Sustainability**
Recent polls show continued public concern with environmental issues and the trend to more "green" ways of living. It is anticipated that demand for alternative transportation methods and more environmentally friendly technologies will continue to grow. The Ministry strives to reduce the environmental footprint in the planning and construction of provincial transportation and facilities infrastructure.

Infrastructure and Transportation continues to seek out and implement leading practices in energy use in government owned and operated facilities and building practices to minimize environmental impacts. The majority of electricity used in government buildings comes from "green" power sources. The Ministry adopted the Leadership in Energy and Environmental Design Silver Standard for all future construction of government funded facilities, which should reduce energy use by 40 to 45 per cent for an average building. Infrastructure and Transportation also adopted the Building Operator Management Association Go Green program for facility operations, which is designed to ensure operations are conducted in an environmentally sustainable manner.

**Inter-governmental Relationships**
Infrastructure and Transportation is an active partner with municipal, provincial, territorial, federal and foreign governments on key issues affecting the province's transportation infrastructure and industry. In particular, work is ongoing to promote the two-way flow of goods, services, people and investment between jurisdictions and promote regulatory harmonization. Decisions made by one government have a direct impact on the activities of adjacent governments, requiring a coordinated approach to transportation challenges.

## STRATEGIC PRIORITIES 2007-10

Through the Ministry's review of external and internal challenges, the strategic priorities described below have been identified. These are in addition to the important ongoing core activities of the Ministry.

### GOVERNMENT PRIORITY – MANAGE GROWTH PRESSURES

1. **Expand the capacity of Alberta's highway system to address growth pressures**

   **Linkage: Goals 1, 2, 3, 4, and 5**

   Alberta's continued, dramatic growth depends on many factors, with effective infrastructure being a top priority. Efficient transportation links, including expanding the capacity of the provincial highway system, are needed to efficiently move people and goods.

   Increased competitiveness in domestic and international markets is more attainable through projects such as twinning of the North-South Trade Corridor, and the development of the Asia-Pacific Gateway and urban corridors, such as the Edmonton and Calgary ring roads. Construction of needed facilities and road network improvements are underway or planned for high-growth areas, including the Regional Municipality of Wood Buffalo. Efforts will continue with municipalities and stakeholders to ensure that required infrastructure meets local needs and supports economic development throughout the province.

**2. Managing complex government owned and supported infrastructure requirements**

**Linkage: Goals 1 and 2**

Many issues and trends have an impact on the effective and efficient management of Alberta's government owned and supported infrastructure requirements. To ensure Albertan's needs are met, the Ministry will work with partner ministries and other stakeholders in the development of plans to address deferred maintenance and to identify and manage priority capital projects. This is achieved by balancing the need for ongoing maintenance and rehabilitation of existing capital assets with the need for new capital investment. Additional focus will be placed on addressing capital project priorities and considering alternative financing opportunities, including public-private partnerships, to provide needed infrastructure.

**3. Support for the Government of Alberta's top strategic priorities**

**Linkage: Goals 2, 3, 4 and 5**

The Ministry will continue to play an active role in managing growth pressures by supporting the capital planning process and managing a variety of long-term grant programs for local authorities, supporting the Water for Life strategy, and by participating in the development of a Land-use Framework.

## GOVERNMENT PRIORITY – BUILD A STRONGER ALBERTA

**4. Develop a new provincial aviation strategy to explore options to ensure the viability of small airports in Alberta**

**Linkage: Goals 1, 2, 4, and 5**

The aviation sector is an integral part of the province's overall safe, secure and reliable transportation network and plays an important role in Alberta's economy by providing jobs and facilitating trade.

There is a need to explore options to ensure Albertans are getting an optimal return on the province's investment when it comes to small airports. With a network of two international, 12 regional, and 72 community airports across Alberta, there is a need to be sure that airports are being operated as effectively and efficiently as possible.

## GOVERNMENT PRIORITY – PROVIDE SAFE AND SECURE COMMUNITIES

**5. Implement a provincial Traffic Safety Plan to reduce the number of collisions on Alberta roads**

**Linkage: Goals 2 and 3**

An extensive traffic safety review has led to the development and implementation of the Alberta Traffic Safety Plan. This plan will address issues related to traffic safety with tools such as effective communications, community traffic safety, public education and awareness, research and evidence-based decisions, sustained enforcement, engineering and infrastructure improvements, and legislation based on leading practices.

These efforts aim to change driver habits and reduce collisions. The Ministry will continue to work in partnership with Justice, Solicitor General and Public Security, and other government ministries and external stakeholders.

# CORE BUSINESSES, GOALS, STRATEGIES & PERFORMANCE MEASURES

## Core Business One: Sustainable provincial infrastructure

GOAL ONE

### 1 Provide safe and efficient infrastructure for individuals and communities

**What it means** Infrastructure and Transportation is responsible for managing the preservation and ongoing maintenance of provincial infrastructure, including highways and facilities. The Ministry plays a key role in ensuring the health and safety needs of occupants and visitors at government owned and leased facilities are met, including barrier-free access, emergency and safety plans and adhering to leading environmental practices. Infrastructure and Transportation monitors the energy efficiency and operating costs of government owned and leased facilities to identify cost-effective improvements and strives to consider the environment when planning and developing provincial infrastructure. The Ministry continues to monitor and evaluate the condition of government owned and supported facilities to identify preservation and replacement needs.

**Strategies**

1.1 Continue to manage the construction and rehabilitation programs for provincially supported, major water management infrastructure.

1.2 Work with partners and stakeholders in developing strategies to improve access for seniors and persons with disabilities, including transportation facilities and systems and barrier-free access in all planned infrastructure construction projects.

1.3 Ensure accessibility needs for persons with disabilities continue to be fully considered in Ministry building design standards, policies, programs and projects.

1.4 Continue to identify and implement leading practices to operate the Swan Hills Treatment Centre in a safe and efficient manner.

1.5 Implement approaches identified to minimize deterioration of provincial highways to reduce the amount of major maintenance required, such as new rehabilitation materials and methods, enforcement of road restrictions and bans, and revised load weights and dimension regulations.

1.6 Apply environmental management and remediation initiatives to address identified concerns at properties owned by the government.

1.7 Continue with the approved physical building and site security implementation plan for government facilities, which will initially focus on the higher risk facilities by installing new or replacing and expanding obsolete security systems.

| Performance Measures | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 1.a **Government Owned and Operated Facilities – Physical Condition:** | | | | |
| • Percentage in good condition | 43.0 | 45.0 | 43.0 | 42.0 |
| • Percentage in fair condition | 53.0 | 51.0 | 53.0 | 54.0 |
| • Percentage in poor condition | 4.0 | 4.0 | 4.0 | 4.0 |
| 1.b **Physical Condition of Provincial Highways:** | | | | |
| • Percentage in good condition | 63.0 | 57.0 | 55.0 | 53.0 |
| • Percentage in fair condition | 24.1 | 26.0 | 26.0 | 26.0 |
| • Percentage in poor condition | 12.9 | 17.0 | 19.0 | 21.0 |
| 1.c **Progress on Completion of Major Water Management Construction Projects:** | | | | |
| • Percentage of Carseland/Bow River rehabilitation completed[1] | 53.0 | 60.0 | 75.0 | 90.0 |
| 1.d **Energy Consumption in megajoules per Square Metre in Government Owned and Operated Facilities** | 1,743 | 1,750 | 1,750 | 1,750 |
| 1.e **Average Operating Cost per Square Metre of Government Owned and Operated Office Space:** | | | | |
| • Percentage of operating cost compared to industry average | 72 | <80 | <80 | <80 |

**Note:**

1 The methodology for calculating the Carseland/Bow River measure has been revised from previous years to reflect the current dynamic construction environment. This change has resulted in a restatement of the last actual result for 2005-06, which was stated as 40 per cent in the Ministry's 2005-06 Annual Report.

## Core Business Two: Safe, accessible and connected communities

### GOAL TWO 2 Provide a safe, secure and reliable provincial transportation network

**What it means** The Ministry works to expand the capacity of the province's highway system and continually improve all aspects of the province's transportation infrastructure to enable the safe and effective movement of people and goods within Alberta. This is achieved by leading the development of provincial, federal and international transportation driver, vehicle and motor carrier policies and standards to encourage safety and safe practices on the transportation network; increasing awareness of traffic safety issues in provincial communities; managing highway planning, design and construction; and monitoring provincial railways to ensure railway infrastructure and equipment conform to appropriate safety standards.

**Strategies**

2.1 Develop a new provincial aviation strategy to explore options to ensure the viability of small airports in Alberta.

2.2 Continue implementation of the state-of-the-art Transportation Infrastructure Management System.

2.3 Implement strategies to improve the transportation network to support economic growth in areas such as the Regional Municipality of Wood Buffalo and the Grande Prairie region.

2.4 Continue the development of access routes and inter-modal trade corridors to better connect Alberta shippers to the United States and other world markets, including continued progress on the North-South Trade Corridor and implementation of the Provincial Freeway Corridor Management Plan.

2.5 Continue to plan, design and construct the ring roads in Calgary and Edmonton.

2.6 Renew the partnership with Transport Infrastructure and Communities Canada to ensure the transportation of dangerous goods is safe and secure within Alberta.

2.7 Improve highway safety through Intelligent Transportation Systems, including Automated Vehicle Identification to support safe commercial vehicle operators.

| Performance Measures | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 2.a **Functional Adequacy of Provincial Highways:** | | | | |
| • Percentage of provincial highways that meet current engineering standards | 79.4[1] | 79.4 | 79.4 | 79.4 |
| 2.b **Construction Progress on the North-South Trade Corridor:** | | | | |
| • Percentage of four-laning open to travel | 86.3 | 88.0 | 90.0 | 91.0 |
| 2.c **Ring Roads in Edmonton and Calgary:** | | | | |
| • Percentage of ring roads open to travel | 23.7 | 30.0 | 40.0 | 50.0 |

**Note:**

[1] The additional factor of "the completion of staged pavements" has been added to the functional adequacy calculations. This change has resulted in a restatement of the last actual result for 2005-06, which was stated as 80.1 per cent in the Ministry's 2005-06 Annual Report.

GOAL THREE

## 3 Deliver safety-focused transportation education and enforcement programs

**What it means** Infrastructure and Transportation is committed to improving driver, vehicle, carrier, road and rail safety through safety-focused education, information and enforcement programs. Commercial driver safety is enhanced through driver training initiatives, hours of service regulation, fatigue management counter measures, and development and monitoring of commercial driver profiles with other jurisdictions. The Alberta Transportation Safety Board acts in the interest of public safety and has the authority to remove or keep unsafe drivers off the road.

**Strategies**

3.1 Continue to implement Alberta's Traffic Safety Plan to reduce fatalities and injuries on Alberta roadways, which supports Road Safety Vision 2010, Canada's national road safety strategy, to meet national goals and make Alberta's roads safer.

3.2 Continue implementation of the Graduated Driver Licensing Program to enhance the safety skills of new drivers.

3.3 Improve highway safety by implementing enhanced elements to the National Driver Licensing Reciprocity Agreement, including implementing the Canadian Driver Licence Agreement.

3.4 Ensure commercial vehicle safety through mandated periodic inspection and on-highway inspection programs.

3.5 Employ innovative approaches to monitor, enforce and manage truck weight, dimension and safety practices on provincial highways, such as the National Safety Code and the Progressive Discipline Program.

| Performance Measures | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 3.a **Seat Belt Usage:** | | | | |
| • Percentage of vehicle occupants wearing seat belts – Alberta[1] | 82.9 | 84.0 | 86.0 | 88.0 |
| 3.b **Involvement of Drinking Drivers in Casualty Collisions:** | | | | |
| • Percentage of drivers involved in injury collisions who had consumed alcohol | 5.3 | 4.8 | 4.6 | 4.4 |
| • Percentage of drivers involved in fatality collisions who had consumed alcohol | 19.2 | 18.9 | 18.7 | 18.5 |
| 3.c **Mechanical Safety of Commercial Vehicles:** | | | | |
| • Percentage of inspected vehicles requiring on-site adjustments | 21.9 | 21.9 | 21.9 | 21.9 |

**Note:**

1 Transport Infrastructure and Communities Canada (Transport Canada) conducts overall seat belt use surveys every two years. The next overall seat belt survey is scheduled for the fall of 2007. Infrastructure and Transportation will conduct comparable surveys using similar methodology every other year.

## Core Business Three: Strong stakeholder partnerships

## GOAL FOUR 4 Support local infrastructure needs

**What it means** Municipalities provide a number of essential local services. In support of these programs, Infrastructure and Transportation provides funding for eligible municipal water/wastewater facilities through the Water for Life Program, focusing on addressing health and environmental concerns as a top priority. The development and upgrading of transportation infrastructure is also funded through various provincial grant programs. As well, the Ministry supports municipalities and communities by accessing federal infrastructure programs.

**Strategies**

4.1 Assist municipalities with water supply, water treatment, and wastewater treatment and disposal facilities through the provision of funding under the Water for Life Strategy, including the Alberta Municipal Water/Wastewater Partnership Program and an enhanced Regional Water and Wastewater Partnership Initiative.

4.2 Continue to provide grant funding to assist Alberta municipalities with developing and upgrading infrastructure through the Alberta Municipal Infrastructure Program, Basic Capital Grant, Cities Special Transportation Grant, the Streets Improvement Program and the Rural Transportation Partnership.

4.3 Administer the Resource Road Program to assist rural municipalities, towns and villages that experience resource and new industry-based traffic.

4.4 Continue to administer grant funding under the New Deal for Cities and Communities program, and provide grant funding for the Infrastructure Canada-Alberta Program and the Canada-Alberta Municipal Rural Infrastructure Fund.

| Performance Measure | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 4.a **Client Satisfaction Survey:**<br>• Percentage of municipal clients satisfied with overall quality of service[1] | 97.0 | >95.0 | n/a | >95.0 |

**Note:**

1 Client Satisfaction Survey is conducted every two years and is based on the calendar year.

## GOAL FIVE 5 Provide technical expertise, project management and support services

**What it means** The Ministry provides technical and project management expertise to other ministries, clients and stakeholders. In partnership with all ministries, Infrastructure and Transportation is responsible for providing operating management of government owned and leased facilities. The Ministry works with client departments and some boards and agencies on accommodation planning, leasing, acquiring and divesting properties, and providing real estate and land planning services. Infrastructure and Transportation maintains guidelines for costs and space for supported facilities to reflect the impact of construction cost escalation. The Ministry will also continue to support provincial government priorities for Albertans through the delivery of key initiatives such as the Natural Gas Rebate Program.

**Strategies**

5.1 Work with program ministries, school boards, post-secondary institutions and health regions in updating long-term capital plans by providing expertise in areas such as life-cycle costing, new technologies, design standards, and detailed project costing.

5.2 Work with other ministries to deliver approved school, health and post-secondary projects.

5.3 Support the planning of facility requirements to ensure effective delivery of health and education programs in Alberta by monitoring and reporting the physical condition of existing schools, health facilities and post-secondary institutions.

5.4 Develop and implement accommodation master plans for Red Deer, Lethbridge and Grande Prairie to meet priority facility program needs for government programs.

5.5 Continue to plan, develop and administer the Edmonton and Calgary Transportation and Utility Corridors.

| Performance Measures | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 5.a **Health Facilities – Physical Condition**[1]: | | | | |
| • Percentage in good condition | 70.0 | 70.0 | 70.0 | 70.0 |
| • Percentage in fair condition | 26.0 | 26.0 | 26.0 | 26.0 |
| • Percentage in poor condition | 4.0 | 4.0 | 4.0 | 4.0 |
| 5.b **School Facilities – Physical Condition**[1]: | | | | |
| • Percentage in good condition | 73.0 | 73.0 | 73.0 | 73.0 |
| • Percentage in fair condition | 25.0 | 25.0 | 25.0 | 25.0 |
| • Percentage in poor condition | 2.0 | 2.0 | 2.0 | 2.0 |
| 5.c **Post-Secondary Facilities – Physical Condition**[1]: | | | | |
| • Percentage in good condition | 55.0 | 55.0 | 55.0 | 55.0 |
| • Percentage in fair condition | 35.0 | 35.0 | 35.0 | 35.0 |
| • Percentage in poor condition | 10.0 | 10.0 | 10.0 | 10.0 |
| 5.d **Client Satisfaction Survey:** | | | | |
| • Level of satisfaction indicated by Boards[2] | 4.6 | 5.0 | n/a | 5.0 |

**Notes:**

1 The funding for the supported infrastructure facilities included in these measures is determined by the relevant program ministries.

2 Client Satisfaction Survey is conducted every two years and is based on the calendar year. Respondents rate satisfaction on a scale of one to six, one being very dissatisfied and six being very satisfied.

# EXPENSE BY CORE BUSINESS

(thousands of dollars)

| | Comparable | | | | | |
|---|---|---|---|---|---|---|
| | 2005-06 Actual | 2006-07 Budget | 2006-07 Forecast | 2007-08 Estimate | 2008-09 Target | 2009-10 Target |
| Sustainable provincial infrastructure | 537,966 | 539,787 | 612,118 | 734,902 | 816,854 | 828,532 |
| Safe, accessible and connected communities | 346,914 | 414,404 | 376,833 | 436,038 | 489,412 | 536,010 |
| Strong stakeholder partnerships | 1,883,162 | 1,571,051 | 1,698,069 | 1,957,917 | 1,737,739 | 1,715,312 |
| **MINISTRY EXPENSE** | 2,768,042 | 2,525,242 | 2,687,020 | 3,128,857 | 3,044,005 | 3,079,854 |

# MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

| | Comparable | | | | | |
|---|---|---|---|---|---|---|
| | 2005-06 Actual | 2006-07 Budget | 2006-07 Forecast | 2007-08 Estimate | 2008-09 Target | 2009-10 Target |
| **REVENUE** | | | | | | |
| Internal Government Transfers | 180,000 | 175,000 | 175,000 | 175,000 | 175,000 | 205,000 |
| Transfers from Government of Canada | 126,214 | 124,800 | 256,884 | 158,647 | 126,030 | 215,800 |
| Premiums, Fees and Licences | 26,039 | 13,920 | 16,720 | 16,040 | 16,040 | 16,040 |
| Investment Income | 16 | - | - | - | - | - |
| Other Revenue | 57,275 | 34,258 | 33,038 | 55,719 | 27,820 | 27,820 |
| **MINISTRY REVENUE** | 389,544 | 347,978 | 481,642 | 405,406 | 344,890 | 464,660 |
| **EXPENSE** | | | | | | |
| **Program** | | | | | | |
| Ministry Support Services | 44,490 | 44,798 | 44,763 | 43,357 | 44,025 | 44,690 |
| Government Operations | 274,005 | 307,883 | 301,798 | 360,180 | 374,564 | 384,319 |
| Provincial Highway Systems and Safety | 360,362 | 339,651 | 415,966 | 438,273 | 534,737 | 537,320 |
| Municipal Support | 1,108,420 | 1,042,200 | 1,171,605 | 1,272,750 | 1,237,300 | 1,214,700 |
| Other Programs and Services | 699,299 | 447,338 | 423,638 | 634,061 | 423,296 | 424,447 |
| Non-Cash Items | 281,466 | 343,372 | 329,250 | 372,272 | 411,872 | 452,872 |
| **Total Program Expense** | 2,768,042 | 2,525,242 | 2,687,020 | 3,120,893 | 3,025,794 | 3,058,348 |
| **Debt Servicing Costs** | | | | | | |
| Department | - | - | - | 7,964 | 18,211 | 21,506 |
| **MINISTRY EXPENSE** | 2,768,042 | 2,525,242 | 2,687,020 | 3,128,857 | 3,044,005 | 3,079,854 |
| Gain (Loss) on Disposal and Write Down of Capital Assets | 5,561 | - | - | - | - | - |
| **NET OPERATING RESULT** | (2,372,937) | (2,177,264) | (2,205,378) | (2,723,451) | (2,699,115) | (2,615,194) |

# CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

| | Comparable | | | | | |
|---|---|---|---|---|---|---|
| | 2005-06 | 2006-07 | 2006-07 | 2007-08 | 2008-09 | 2009-10 |
| | Actual | Budget | Forecast | Estimate | Target | Target |
| Ministry Revenue | 389,544 | 347,978 | 481,642 | 405,406 | 344,890 | 464,660 |
| *Inter-ministry consolidation adjustments* | (182,917) | (178,180) | (178,180) | (178,180) | (178,180) | (208,180) |
| **Consolidated Revenue** | 206,627 | 169,798 | 303,462 | 227,226 | 166,710 | 256,480 |
| Ministry Program Expense | 2,768,042 | 2,525,242 | 2,687,020 | 3,120,893 | 3,025,794 | 3,058,348 |
| *Inter-ministry consolidation adjustments* | (2,917) | (3,180) | (3,180) | (3,180) | (3,180) | (3,180) |
| **Consolidated Program Expense** | **2,765,125** | **2,522,062** | **2,683,840** | **3,117,713** | **3,022,614** | **3,055,168** |
| Ministry Debt Servicing Costs | - | - | - | 7,964 | 18,211 | 21,506 |
| **Consolidated Expense** | 2,765,125 | 2,522,062 | 2,683,840 | 3,125,677 | 3,040,825 | 3,076,674 |
| Gain (Loss) on Disposal and Write Down of Capital Assets | 5,561 | - | - | - | - | - |
| **CONSOLIDATED NET OPERATING RESULT** | (2,552,937) | (2,352,264) | (2,380,378) | (2,898,451) | (2,874,115) | (2,820,194) |

# CAPITAL INVESTMENT BY CORE BUSINESS

(thousands of dollars)

| | Comparable | | | | | |
|---|---|---|---|---|---|---|
| | 2005-06 | 2006-07 | 2006-07 | 2007-08 | 2008-09 | 2009-10 |
| | Actual | Budget | Forecast | Estimate | Target | Target |
| Sustainable provincial infrastructure | 221,152 | 165,209 | 238,213 | 246,166 | 255,721 | 194,588 |
| Safe, accessible and connected communities | 667,185 | 1,098,584 | 849,015 | 1,334,345 | 1,573,953 | 1,374,198 |
| Strong stakeholder partnerships | 8,050 | 14,292 | 17,714 | 114,591 | 29,247 | 10,442 |
| **MINISTRY CAPITAL INVESTMENT** | 896,387 | 1,278,085 | 1,104,942 | 1,695,102 | 1,858,921 | 1,579,228 |

# CAPITAL INVESTMENT BY PROGRAM

(thousands of dollars)

| | Comparable | | | | | |
|---|---|---|---|---|---|---|
| | 2005-06 | 2006-07 | 2006-07 | 2007-08 | 2008-09 | 2009-10 |
| | Actual | Budget | Forecast | Estimate | Target | Target |
| Ministry Support Services | 14,301 | 11,870 | 11,870 | 13,870 | 14,550 | 13,870 |
| Government Operations | 205,319 | 142,343 | 220,790 | 319,415 | 249,205 | 173,277 |
| Provincial Highway Systems and Safety | 525,840 | 845,973 | 676,478 | 1,036,714 | 1,509,549 | 1,283,577 |
| Municipal Support | 203 | 1,000 | 1,847 | 1,000 | 1,000 | 2,003 |
| Other Programs and Services | 32,330 | 128,499 | 45,557 | 122,103 | 79,617 | 74,611 |
| Alternatively Financed Projects | 117,985 | 148,400 | 148,400 | 202,000 | 5,000 | 31,890 |
| Land Services - Statutory | 409 | - | - | - | - | - |
| **MINISTRY CAPITAL INVESTMENT** | 896,387 | 1,278,085 | 1,104,942 | 1,695,102 | 1,858,921 | 1,579,228 |

# International, Intergovernmental and Aboriginal Relations

BUSINESS PLAN 2007-10

## ACCOUNTABILITY STATEMENT

The business plan for the three years commencing April 1, 2007 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as of March 26, 2007 with material economic or fiscal implications of which I am aware have been considered in preparing the business plan.

The Ministry's priorities outlined in the business plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this business plan.

Guy Boutilier, *Minister of International, Intergovernmental and Aboriginal Relations*
March 28, 2007

## THE MINISTRY

The Ministry of International, Intergovernmental and Aboriginal Relations consists of the Department of International, Intergovernmental and Aboriginal Relations, which includes the following divisions: Canadian Intergovernmental Relations, International Relations, International Offices and Trade, First Nations and Métis Relations, and Land and Resource Issues.

The Ministry also supports the Métis Settlements Appeal Tribunal, a quasi-judicial body established by the *Métis Settlements Act* to resolve disputes pertaining to land, membership and surface rights.

## VISION

*A strong Alberta, supporting the full and active participation of all Albertans, including Aboriginal people, in an open world and in a prosperous, united Canada.*

## MISSION

Lead the development of government-wide strategies and policies for Alberta's relations with other Canadian governments, foreign governments, and international and Aboriginal organizations.

## LINK TO THE GOVERNMENT OF ALBERTA STRATEGIC BUSINESS PLAN

The Ministry supports the following goals in the Government of Alberta Strategic Business Plan: Goal 1 – Alberta will have a prosperous economy; Goal 4 – Alberta will have a financially stable, open and accountable government and maintain its strong position nationally and internationally; and Goal 9 – Alberta will have strong and effective municipalities and self-reliant Aboriginal communities. Goal 1 is supported through international trade promotion, Goal 4 through intergovernmental and international relations, and Goal 9 through Aboriginal consultation, governance and economic development initiatives.

## SIGNIFICANT OPPORTUNITIES AND CHALLENGES

### Intergovernmental - Canada

- The Council of the Federation provides opportunities for an expanded intergovernmental agenda in a wide variety of areas. The Alberta-British Columbia *Protocol of Cooperation*, along with First Ministers' Meetings and the Western Premiers' Conference, also provide opportunities for Alberta to work collaboratively with other provinces to influence the national agenda.
- Opportunities and challenges in representing Albertans' priorities and expectations with the federal government, and its place in Confederation, will continue to arise.

### International Relations

- The emergence of Alberta as one of several world energy producers that can significantly increase output has increased international attention on the province and on its policies and challenges.
- The United States midterm elections have handed control over both Houses in Congress to the Democrats who are pro-environment and cool towards the energy industry.
- With the rapid rise of China on the global stage and Alberta's significant energy reserves, there is an opportunity to advance Alberta's interests in China.

### Trade Policy

- The British Columbia-Alberta *Trade, Investment and Labour Mobility Agreement*, which becomes effective in April 2007, provides an opportunity to advance Alberta's domestic trade priorities, could potentially be expanded to cover other provinces, and is a model for improving the *Agreement on Internal Trade*.
- The Canada-United States *Softwood Lumber Agreement 2006* provides a means to prevent further litigation throughout its term and to preserve the province's jurisdictional responsibilities.
- A successful and ambitious conclusion to the World Trade Organization's "Doha Development Agenda" negotiations and participation in other international trade and investment initiatives will help to liberalize trade in areas of provincial priority such as agriculture, services, and disciplines on trade remedies.

**International Trade Promotion**

- The United States remains Alberta's most important trading partner. Further diversification of the Alberta economy, development of knowledge-based industries and addition of value to resource-based sectors can be accomplished by pursuing global trade opportunities. The Ministry will support value-added export growth in new and emerging economies such as China, India, Brazil and Russia while maintaining the high volume of trade with the United States.

**Aboriginal Relations**

- Progress in facilitating effective self-governance arrangements and regulatory frameworks is necessary to improve the socio-economic conditions in First Nations communities and resolve long-standing service delivery and jurisdictional issues. In April 2006, the Government of Alberta approved an overall framework and process to guide provincial participation in self-governance discussions. Alberta is also working with First Nations and Canada to develop mechanisms that will remove jurisdictional and regulatory barriers to economic activity on First Nations reserves.
- Aboriginal youth is the fastest growing segment of the Alberta labour force at the same time that industry is facing labour shortages. Innovative, strategic partnerships between industry and First Nations, Métis Settlements and Aboriginal organizations to enhance the capacity of Aboriginal people to participate in the economy can help meet the labour needs of industry.
- First Nation governments have demonstrated an increased interest in working with the Government of Alberta and industry partners. Respectful relations with First Nations will be maintained based on understanding the role of the Treaties and clarification of the roles and responsibilities of federal, provincial and First Nation governments.
- The last statutory payment under the *Métis Settlements Act* was made in 2006. This provides an opportunity to both the province and the Métis Settlements to examine their long-term future relationship. Strategies will be developed that contribute to enhanced governance and self-reliance.
- Implementation of the Alberta First Nation Consultation Policy through ministry-specific operational guidelines will be critical to overall land and resource management. Government, First Nations and industry will need to clearly establish the responsibilities of all parties.

## STRATEGIC PRIORITIES 2007-10

Through the Ministry's review of external and internal challenges, the strategic priorities described below have been identified. These are in addition to the important ongoing core activities of the Ministry.

### GOVERNMENT PRIORITY – BUILD A STRONGER ALBERTA

| | |
|---|---|
| **1. Canadian Intergovernmental Relations**<br>**Linkage: Goal 1** | Work with other Ministries to ensure a coordinated Alberta approach to intergovernmental relations. |
| **2. Intergovernmental Strategy**<br>**Linkage: Goal 1** | Develop an intergovernmental strategy to address Alberta's priorities with other provinces and the federal government. |
| **3. International Relations, Trade Policy and International Trade Promotion**<br>**Linkage: Goals 2, 3, and 4** | Enhance Alberta's international presence and trade relations, in particular with the United States. |

### GOVERNMENT PRIORITY – IMPROVE ALBERTANS' QUALITY OF LIFE

| | |
|---|---|
| **4. Consultation**<br>**Linkage: Goal 5** | Finalize the Aboriginal consultation strategy. |
| **5. Métis Settlements**<br>**Linkage: Goals 5 and 6** | Finalize the long-term governance and funding arrangements with the Métis Settlements. |
| **6. Building Aboriginal Self-Sufficiency**<br>**Linkage: Goals 5 and 6** | Coordinate discussions and initiatives with First Nations, provincial Métis organizations, industry, Alberta ministries and, where appropriate, the federal government to improve Aboriginal participation in the economy and economic development in Aboriginal communities. |

# CORE BUSINESSES, GOALS, STRATEGIES & PERFORMANCE MEASURES

## Core Business One: Canadian Intergovernmental Relations

### GOAL ONE 1 Promoting the interests of, and securing benefits for, Alberta as an equal partner in a strengthened, united Canada

**What it means** To achieve this goal, the Ministry promotes: effective participation by Alberta in the Canadian federation; a federal system that better serves the needs of Albertans and Canadians; and effective leadership by Alberta that supports a strong, united and secure Canada.

**Strategies**

1.1 Work with Alberta ministries to develop coordinated and consistent government-wide strategies that advance Alberta's intergovernmental interests.

1.2 Develop an intergovernmental strategy to address Alberta's priorities with other provinces and the federal government.

1.3 Assist Alberta ministries in the development of intergovernmental agreements. Review and approve the agreements to ensure that they reflect Alberta's intergovernmental objectives and priorities.

1.4 Develop strategies and policy options in conjunction with Alberta ministries, with respect to key intergovernmental policy.

1.5 Provide policy analysis and strategies, and coordinate input from other Alberta ministries for Alberta's participation in meetings of First Ministers, the Council of the Federation, Western Premiers, Alberta and British Columbia cabinets, and ministerial meetings.

1.6 Work with Alberta ministries to implement the Premiers' Council of the Federation outcomes.

1.7 Promote both interprovincial and federal-provincial solutions to improve the efficiency and effectiveness of the Canadian federation through the reduction of overlap and duplication between governments and the reform of institutions (e.g., the Senate).

1.8 Promote provincial solutions to redesign federal-provincial financial arrangements (e.g., contribution agreements).

1.9 Develop policy recommendations and strategies on national unity and other related issues as they emerge.

| Performance Measures | Last Actual (year) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 1.a **Client Satisfaction**: Client satisfaction with services provided by Canadian Intergovernmental Relations | 4.2<br>(2006) | n/a | 4.0 out of 5.0 | n/a |
| 1.b **Reports/Narrative Records**: Reports/narrative records from First Ministers' or Premiers' intergovernmental meetings are reported in the Annual Report | 100%<br>(2005-06) | 100% | 100% | 100% |

**Note:**
n/a Biennial Survey.

## Core Business Two: International Relations

GOAL TWO **2**

### Promoting the interests of, and securing benefits for, Alberta from strengthened international relations

**What it means** To achieve this goal, the Ministry works with other ministries, other provinces, the private sector and the federal government to: facilitate the two-way flow of goods, services, people and investment between Alberta and the United States; and provide a strategic approach to Alberta's international relations that effectively promotes Alberta's interests and priorities to foreign government decision-makers.

**Strategies**

2.1 Deepen relations with key United States decision-makers in Washington, D.C. and build on the opportunities generated by the 2006 Smithsonian Folklife Festival to promote more positive Alberta/U.S. relations and greater North American economic and regulatory integration.

2.2 Build alliances with key regional United States decision-makers (e.g., Alaska, Montana, Western Governors Association, and the Pacific NorthWest Economic Region).

2.3 Lead the development and implementation of cross-ministry international strategies to take advantage of new global opportunities.

2.4 Provide leadership and coordination for missions undertaken by the Premier and ministers.

2.5 Leverage heightened United States interest in oil sands to create partnerships with United States counterparts (governments, companies, organizations) to meet the challenges of expanding oil sands production (investment, labour, material, technology).

2.6 Provide leadership on initiatives with Alberta's 14 twinned provinces.

2.7 Design and implement projects for priority countries in support of the development of good government and democracy.

| Performance Measures | Last Actual (year) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 2.a **Client Satisfaction**: Client satisfaction with services provided by International Relations | 4.3<br>(2006) | n/a | 4.0 out of 5.0 | n/a |
| 2.b **Alberta Washington Office**: Client satisfaction with the services of the Alberta Office in Washington | 4.3<br>(2006) | n/a | 4.0 out of 5.0 | n/a |
| 2.c **International Mission Expenses**: International mission expenses of the Premier and Minister are posted on the department's website within two months of the mission's conclusion | 25%<br>(2005-06) | 100% | 100% | 100% |
| 2.d **Reports/Narrative Records**: Reports/narrative records from major international meetings and missions are reported in the Annual Report | 100%<br>(2005-06) | 100% | 100% | 100% |

**Note:**
n/a Biennial Survey.

## Core Business Three: Trade Policy

GOAL THREE **3**

### Promoting the interests of, and securing benefits for, Alberta from greater trade and investment liberalization, internationally and domestically

**What it means** The Ministry strives to enhance opportunities for Albertans through international and domestic trade, investment agreements, and negotiations that promote the free flow of goods, services, capital and labour, internationally and domestically.

**Strategies**

3.1 Develop and advance Alberta positions in ongoing trade and investment negotiations taking place multilaterally (e.g., in the World Trade Organization), bilaterally (e.g., with South Korea) or within Canada (e.g., the BC-Alberta *Trade, Investment and Labour Mobility Agreement* (TILMA)), with a particular focus on priority issues for Alberta (including agriculture, energy, trade remedies and services) and on issues affecting provincial jurisdiction (including the environment, labour, investment and business regulation).

3.2 Coordinate Alberta's approaches to the implementation and ongoing management of completed agreements, including the *North American Free Trade Agreement*, the World Trade Organization agreements, the *Agreement on Internal Trade* and the BC-Alberta TILMA.

3.3 Anticipate, prevent and manage disputes and defend Alberta's interests under domestic and international agreements, including the *North American Free Trade Agreement*, the World Trade Organization agreements, the *Agreement on Internal Trade* and the BC-Alberta TILMA.

3.4 Coordinate Alberta's participation in the Canada-US *Softwood Lumber Agreement 2006* to ensure Alberta's interests are preserved.

3.5 Pursue a formal federal-provincial agreement on the full provincial participation in Canada's negotiation of agreements affecting provincial jurisdiction or interests.

| Performance Measures | Last Actual (year) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 3.a **Client Satisfaction**: Client satisfaction with services provided by Trade Policy | 4.2<br>(2006) | n/a | 4.0 out of 5.0 | n/a |
| 3.b **Reports/Narrative Records**: Reports/narrative records from major trade policy meetings are reported in the Annual Report | 100%<br>(2005-06) | 100% | 100% | 100% |

**Note:**
n/a Biennial Survey.

## Core Business Four: International Offices and Trade

## GOAL FOUR 4 Increase exports of Alberta's goods and services

**What it means** The Ministry facilitates exports in manufactured products and professional, scientific and technical services to target markets. This is accomplished through international trade strategies and initiatives undertaken collaboratively with industry, the federal government, other provincial ministries, international financial institutions, and with support from the international offices.

**Strategies**

4.1 Use the network of Alberta's international offices to market Alberta and to gather and deliver strategic intelligence, and business and economic information to support companies in identifying and accessing market opportunities within global target markets.

4.2 Market the province internationally, encouraging export and trade development in targeted industry sectors.

4.3 Assist export-ready Alberta businesses in developing capabilities and networks to export products and services to international markets.

4.4 Support market entry for Alberta exporters by showcasing Alberta internationally.

4.5 Support Alberta companies pursuing projects financed by international financial institutions.

4.6 Promote and develop partnerships with other Canadian (federal, provincial and municipal) and foreign government agencies and industry associations to assist Alberta companies.

4.7 Collaborate with other Alberta ministries to develop a coordinated and government-wide strategy that advances Alberta's international marketing interests.

4.8 Leverage Alberta companies' expertise and knowledge in sectors such as oil and gas and agri-food to enable market penetration of closely related sectors, such as engineering services or environmental goods and services.

4.9 Assist Alberta businesses in developing relationships with potential investors, partners and customers by providing local market support through Alberta's international network, including international offices.

4.10 Respond to changing market conditions and opportunities by developing targeted programs and projects.

4.11 Initiate a review of the international offices.

| Performance Measures | Last Actual (year) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 4.a **Client Satisfaction**: Percentage of clients satisfied with the services provided by International Trade | 77.6 (2006-07) | 78.0 | n/a | 79.0 |
| 4.b **International Offices**: Percentage of clients satisfied with the services of international offices | 93.1 (2004-05) | n/a | 93.5 | n/a |

**Note:**
n/a Biennial Survey.

# Core Business Five: Aboriginal Governance, Consultation and Economic Development

GOAL FIVE **5**

## Improve Aboriginal economic participation and self-reliance

**What it means** The Ministry provides advice and specialized knowledge to Aboriginal communities, organizations, provincial ministries, federal and municipal governments, and industry to support the well-being and self-reliance of Aboriginal people. The Ministry engages in land and resource issues, supports cross-ministry Aboriginal strategies, industry partnerships and urban Aboriginal initiatives.

**Strategies**

5.1 Work with Alberta ministries, the federal government and First Nations toward timely resolution of land-related negotiations, including treaty land entitlement claims for which Alberta has an obligation under the *Natural Resources Transfer Agreement.*

5.2 Work with Alberta ministries, federal and municipal governments, friendship centres and other Aboriginal organizations to identify and address urban Aboriginal issues.

5.3 Work with provincial ministries, federal and municipal governments, industry and Aboriginal governments and organizations to support the development of strategic partnerships between industry and Aboriginal groups to enhance Aboriginal participation in the labour force and economic development.

5.4 Work with the Métis Settlements General Council to develop a framework which supports economic development and self-reliance, including capacity building.

5.5 Work with the Métis Nation of Alberta Association and other Alberta ministries through the renewed Alberta/Métis Nation of Alberta Association Framework Agreement to develop strategic economic partnerships.

5.6 Work with Aboriginal organizations and Alberta ministries to ensure that First Nation and Métis views are considered in the development of provincial policies, programs and initiatives.

5.7 Assist other ministries, organizations and Aboriginal communities on the implementation of initiatives that enhance protective factors and social supports for Aboriginal children and youth.

| Performance Measures | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 5.a **Land Claims and Related Agreements**: Progress on the negotiation and implementation of land claims and related agreements | | | | |
| • Agreement in Principle | 1 | 1 | 1 | 1 |
| • Final Agreement | 6 | 4 | 3 | 2 |
| • Full-implementation | 11 | 17 | 19 | 21 |
| • Total | 18 | 22 | 23 | 24 |
| 5.b **Economic Partnerships**: Number of First Nations negotiating strategic economic partnerships with industry and other organizations | 11 | 16 | 17 | 18 |

GOAL SIX

# 6 Support effective Aboriginal governance and consultation

**What it means** The Ministry has identified several strategic priorities related to Aboriginal governance and consultation. These include implementation of consultation policy guidelines, continued support for the development of traditional use studies to support consultation, participation in negotiations related to self-governance, and the establishment of regulatory frameworks on reserves to encourage economic growth.

**Strategies**

6.1 Coordinate participation of Alberta ministries with First Nations and industry in the implementation of Alberta's consultation policy.

6.2 Assist First Nations to complete traditional use studies, preserve and safeguard the information, and negotiate protocols with First Nations for the appropriate sharing of traditional use data.

6.3 Lead the participation of Alberta ministries in discussions with First Nations and the federal government on self-governance and on the establishment of mechanisms for the removal of barriers to economic activity on First Nations reserves.

6.4 Lead the development of provincial strategies to guide Alberta's long-term future relationship with the Métis Settlements to enhance governance and self-reliance.

6.5 Coordinate discussions with Alberta ministries, Aboriginal governments and organizations, other governments, industry and other stakeholders to begin an evaluation and review of the *Aboriginal Policy Framework*.

| Performance Measures | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 6.a **Data Sharing Protocols**: Number of collaborative traditional use data sharing protocols negotiated with First Nation communities | 29 | 37 | 47 | n/a |
| 6.b **Contacts for Consultation**: Number of First Nations with a single point of contact for consultation | 24 | 29 | 34 | 39 |

**Note:**

n/a Performance measure 6.a is expected to discontinue after 2008-09, once all 47 First Nations have negotiated data sharing protocols.

## Ministry Support Services

The Ministry's core businesses are enabled by an infrastructure of essential services that support department staff and business processes. Support services include information technology, information management, corporate planning, freedom of information and protection of privacy, finance, human resources, communications, and administrative services.

# EXPENSE BY CORE BUSINESS
(thousands of dollars)

| | Comparable | | | | | |
|---|---|---|---|---|---|---|
| | 2005-06 Actual | 2006-07 Budget | 2006-07 Forecast | 2007-08 Estimate | 2008-09 Target | 2009-10 Target |
| Canadian Intergovernmental Relations | 3,873 | 4,026 | 4,026 | 4,762 | 4,844 | 4,964 |
| International Relations | 4,160 | 5,213 | 5,213 | 4,318 | 4,403 | 4,529 |
| Trade Policy | 1,780 | 1,662 | 1,662 | 1,727 | 1,766 | 1,826 |
| International Offices and Trade | 15,589 | 16,805 | 16,805 | 17,794 | 18,175 | 18,561 |
| Aboriginal Governance, Consultation and Economic Development | 36,275 | 41,449 | 42,073 | 39,020 | 30,270 | 27,245 |
| **MINISTRY EXPENSE** | 61,677 | 69,155 | 69,779 | 67,621 | 59,458 | 57,125 |

# MINISTRY STATEMENT OF OPERATIONS
(thousands of dollars)

| | Comparable | | | | | |
|---|---|---|---|---|---|---|
| | 2005-06 Actual | 2006-07 Budget | 2006-07 Forecast | 2007-08 Estimate | 2008-09 Target | 2009-10 Target |
| **REVENUE** | | | | | | |
| Internal Government Transfers | - | - | - | 200 | 200 | 200 |
| Other Revenue | 365 | 15 | 268 | 15 | 15 | 15 |
| **MINISTRY REVENUE** | 365 | 15 | 268 | 215 | 215 | 215 |
| **EXPENSE** | | | | | | |
| **Program** | | | | | | |
| Minister's Office | 350 | 380 | 380 | 432 | 441 | 450 |
| Deputy Minister's Office | 475 | 498 | 498 | 525 | 552 | 579 |
| Ministry Support Services | 6,677 | 7,073 | 7,073 | 6,315 | 6,476 | 6,742 |
| Canadian Intergovernmental Relations | 3,007 | 3,181 | 3,181 | 3,895 | 3,951 | 4,007 |
| International Relations and Trade Policy | 4,641 | 5,607 | 5,607 | 4,744 | 4,831 | 4,918 |
| Land and Resource Issues | 7,580 | 11,006 | 11,721 | 13,799 | 13,862 | 10,650 |
| First Nations and Métis Relations | 10,368 | 12,489 | 12,398 | 22,103 | 13,201 | 13,299 |
| Métis Settlements Appeal Tribunal | 1,114 | 1,022 | 1,022 | 1,034 | 1,043 | 1,052 |
| Métis Settlements Governance | 4,086 | 4,086 | 4,086 | - | - | - |
| Métis Settlements Legislation | 10,000 | 10,000 | 10,000 | - | - | - |
| International Offices and Trade | 13,140 | 13,813 | 13,813 | 14,774 | 15,101 | 15,428 |
| Valuation Adjustments and Other Provisions | 239 | - | - | - | - | - |
| **MINISTRY EXPENSE** | 61,677 | 69,155 | 69,779 | 67,621 | 59,458 | 57,125 |
| Gain (Loss) on Disposal of Capital Assets | - | - | - | - | - | - |
| **NET OPERATING RESULT** | (61,312) | (69,140) | (69,511) | (67,406) | (59,243) | (56,910) |

# CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

| | Comparable<br>2005-06<br>Actual | Comparable<br>2006-07<br>Budget | Comparable<br>2006-07<br>Forecast | 2007-08<br>Estimate | 2008-09<br>Target | 2009-10<br>Target |
|---|---|---|---|---|---|---|
| Ministry Revenue | 365 | 15 | 268 | 215 | 215 | 215 |
| *Inter-ministry consolidation adjustments* | - | - | - | (200) | (200) | (200) |
| **Consolidated Revenue** | 365 | 15 | 268 | 15 | 15 | 15 |
| Ministry Expense | 61,677 | 69,155 | 69,779 | 67,621 | 59,458 | 57,125 |
| *Inter-ministry consolidation adjustments* | - | - | - | - | - | - |
| **Consolidated Expense** | **61,677** | **69,155** | **69,779** | **67,621** | **59,458** | **57,125** |
| Gain (Loss) on Disposal of Capital Assets | - | - | - | - | - | - |
| **CONSOLIDATED NET OPERATING RESULT** | (61,312) | (69,140) | (69,511) | (67,606) | (59,443) | (57,110) |

# Justice

## BUSINESS PLAN 2007-10

## ACCOUNTABILITY STATEMENT

The business plan for the three years commencing April 1, 2007 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as of March 26, 2007 with material economic or fiscal implications of which I am aware have been considered in preparing the business plan.

The Ministry's priorities outlined in the business plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this business plan.

Ron Stevens QC, *Minister of Justice and Attorney General*
March 30, 2007

## THE MINISTRY

The Ministry of Justice consists of the Department of Justice as an entity for budget reporting purposes as well as the Alberta Review Board, the Fatality Review Board, the Judicial Council, the Notaries Public Review Committee, the Provincial Court Nominating Committee, and the Rules of Court Committee.

The Department of Justice is responsible for prosecutions, court administration, the provision of legal services to government, and ensuring the justice system meets the needs of Albertans. The Department protects the legal interests of Albertans in need through the Maintenance Enforcement Program, Public Trustee services, support for legal aid, and the Motor Vehicle Accident Claims program. The Department also provides policy coordination, development, advice, and research. Corporate Services, the Aboriginal Justice Initiatives Unit, and Human Resource Services provide strategic support to the Ministry.

The Alberta Review Board makes or reviews dispositions concerning any accused person for whom a verdict of "not criminally responsible because of mental disorder" or "unfit to stand trial" is rendered. The board also has responsibility for determining whether a person should be subject to a detention order or conditional discharge or be granted an absolute discharge. The Fatality Review Board is responsible for reviewing certain deaths investigated by the Medical Examiner's Office and recommending to the Minister of Justice and Attorney General whether a public fatality inquiry should be held. The Provincial Court Nominating Committee provides recommendations to the Minister of Justice on the appointment of individuals to the Provincial Court of Alberta and the Rules of Court Committee makes recommendations to the Minister on amendments to the Rules of Court under the *Court of Appeal Act*, the *Court of Queen's Bench Act*, and the *Civil Enforcement Act*.

A more detailed description of the Ministry can be found on the website: **http://www.justice.gov.ab.ca/**.

## VISION

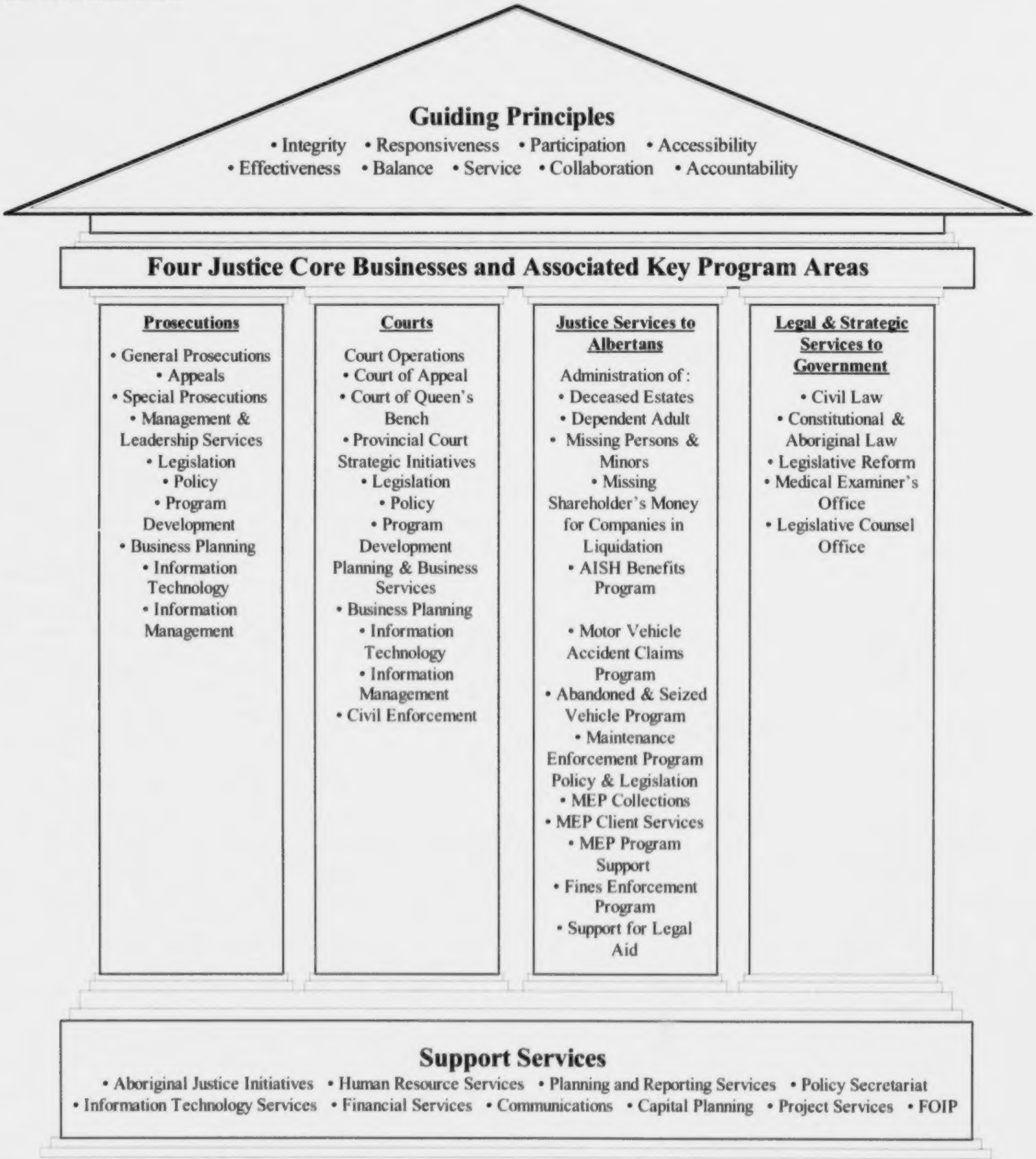
*A fair and safe society supported by a trusted justice system.*

## MISSION

To protect the rights of all individuals in Alberta and advance the interests of society by fostering:

- Safe communities
- Access to justice
- Respect for the law
- Understanding of and confidence in the justice system
- The legal foundation for social cohesion and economic prosperity

In achieving our vision and mission, the Ministry follows nine guiding principles in the delivery of programs and services under four core businesses.



**Guiding Principles**

• Integrity • Responsiveness • Participation • Accessibility
• Effectiveness • Balance • Service • Collaboration • Accountability

**Four Justice Core Businesses and Associated Key Program Areas**

**Prosecutions**

- General Prosecutions
- Appeals
- Special Prosecutions
- Management & Leadership Services
- Legislation
- Policy
- Program Development
- Business Planning
- Information Technology
- Information Management

**Courts**

Court Operations
- Court of Appeal
- Court of Queen's Bench
- Provincial Court

Strategic Initiatives
- Legislation
- Policy
- Program Development

Planning & Business Services
- Business Planning
- Information Technology
- Information Management
- Civil Enforcement

**Justice Services to Albertans**

Administration of:
- Deceased Estates
- Dependent Adult
- Missing Persons & Minors
- Missing Shareholder's Money for Companies in Liquidation
- AISH Benefits Program

- Motor Vehicle Accident Claims Program
- Abandoned & Seized Vehicle Program
- Maintenance Enforcement Program Policy & Legislation
- MEP Collections
- MEP Client Services
- MEP Program Support
- Fines Enforcement Program
- Support for Legal Aid

**Legal & Strategic Services to Government**

- Civil Law
- Constitutional & Aboriginal Law
- Legislative Reform
- Medical Examiner's Office
- Legislative Counsel Office

**Support Services**

• Aboriginal Justice Initiatives • Human Resource Services • Planning and Reporting Services • Policy Secretariat
• Information Technology Services • Financial Services • Communications • Capital Planning • Project Services • FOIP

# LINK TO THE GOVERNMENT OF ALBERTA STRATEGIC BUSINESS PLAN

The Ministry's core businesses and goals are aligned with and support a number of government goals and priorities. Alberta Justice plays a key role in Goal 7 of the Government of Alberta business plan – *Alberta will be a safe place to live, work and raise families* – by supporting a trusted justice system that promotes law and order for the purpose of protecting individuals, securing justice for victims, and ensuring offenders are held accountable. The Ministry also supports Goal 6 – Albertans will be independent and our children will be well cared for – by ensuring that low-income Albertans have access to legal services they could not otherwise obtain.

Justice supports the Government Priority: Provide Safe and Secure Communities through the development of a Crime Reduction and Safe Communities Task Force. The Ministry will continue to invest in Alberta's communities to make them among the safest in North America by getting tougher on those who commit violent offences. It will also play a leadership role in establishing a more responsive justice system by expanding the availability and scope of dispute resolution options, using technology to strengthen the justice system, and collaboratively building an integrated crime reduction strategy. Justice also supports the Government Priority: *Govern with Integrity and Transparency* with the establishment of a Lobbyist Registry.

# SIGNIFICANT OPPORTUNITIES AND CHALLENGES

Recognizing trends, identifying new challenges, and being aware of changes in diverse socio-economic sectors are important parts of setting the Ministry's strategic priorities and addressing justice concerns for Albertans. Many of these opportunities and challenges are complex and involve other stakeholders and jurisdictions. At times, the Ministry is accountable to the public for outcomes where some aspects are outside of its control. Consequently, it is prudent for Justice to continually assess the environment it works within. Factors under consideration include the following:

**Changing Role of the Courts**
Justice has made substantial progress in developing and implementing appropriate dispute resolution mechanisms over the last few years. As a result, litigants will potentially have increased access to justice, lower costs, and more satisfaction with outcomes and the system.

**Social Trends**
Alberta's population growth is expected to average approximately 2.4 per cent annually between now and 2010, and the province's Aboriginal population is expected to continue to grow at a slightly faster rate. Unemployment rates will likely remain low and, Albertans 55 and over are projected to account for 49 per cent of the total provincial population growth from 2006 to 2011. This trend will increase the demand for young people entering the workforce. The structure of families is changing, and common law unions (which are more highly correlated with spousal violence) are becoming more common. Violent and property crime rates for Alberta fell in 2005.

**Volume of Management Information**
Like other jurisdictions, Justice has adopted the practice of evidence-based decision-making. Technology now allows the Ministry to access a tremendous amount of data to use in that process, requiring an equally large amount of resources to prioritize the data. The Ministry is implementing a number of initiatives to develop appropriate levels of policy capacity and ensure an evidence-based decision-making process is supported.

### Technology and the IT-enabled Justice System

Technological developments can enable greater efficiencies in the delivery of justice. To address the current and future business requirements of the Ministry and the Courts, the Ministry has begun developing a model and processes to move forward with a Justice Information Management System initiative. In addition to the need to upgrade our existing internal systems, there is also a critical need to enhance electronic disclosure between the Crown and policing agencies. Recently, Justice has also been working on installing video conferencing systems in courtrooms, moving to an electronic ticket management system, and developing a ministry intranet for staff. These systems are anticipated to improve efficiency, security and productivity.

### Increasing Competition for Human Resources

The availability of sufficient people to meet labour demands is becoming a problem in Alberta, and this trend is expected to continue. In 10 years, the province may face a shortfall of as many as 100,000 workers. To continue to meet staffing requirements, Justice must take a proactive approach to both recruitment and retention.

### Increasing Demand for Involvement by Key Stakeholders

Like many governments and private organizations across Canada and internationally, Justice works on ways to involve the public and stakeholders in developing collaborative approaches to public issues. The challenge for Justice is to craft a system that employs quality management information to ensure that decisions are evidence-based, but where stakeholders can have confidence that they have input into the decision-making process.

### Family Violence

Family violence impacts not only those directly involved, but also the children who witness the violence and the community and society as a whole. Alberta women experience some of the highest rates of spousal homicide and stalking in Canada, and continue to be the most likely to report experiencing spousal violence. Justice is leading a number of initiatives to reduce family violence. The government will continue to work collaboratively across ministries, with other levels of government, community partners, professionals and families to break the cycle of family violence.

### Public Confidence and Increasing Expectations

Albertans, like other Canadians, have a lower level of confidence in the justice system relative to other public institutions. This may be, in part, due to a lack of knowledge about the justice system. Consequently the Ministry works on educational programs for young and adult Albertans. In addition, the increasing complexity of cases before the courts, and public awareness of crimes, sentencing and investigative techniques create increasing public expectations. Ongoing dialogue between the police and government is required to ensure the public receives consistent messages about the justice system.

### Self-represented Litigants

All Albertans are entitled to fair and equitable access to, and treatment by, the justice system. They want to be able to resolve conflicts with the least amount of time, cost, and complexity possible, and they want to do it close to their own communities. Self-represented litigants often have difficulty accessing the justice system, and appear to use more justice system resources due to a lack of understanding of the system and its processes. This has led to recognition of the need to deal with self-represented litigants services in a coordinated way. The Ministry is taking a number of steps to provide services to self-reprsented litigants, and continues work to improve processes.

### The Changing Face of Crime

The nature of crime in Alberta and all jurisdictions is changing, and technology (particularly the Internet) is instrumental in facilitating this change. Investigating and prosecuting the many facets of cyber crime is resource-intensive, may require skills and knowledge external to law enforcement and the prosecution service, and may be national or international in scope. Alberta's success in countering cyber crime is dependent on improved coordination, sharing and use of criminal intelligence in support of integrated law enforcement and prosecutorial strategies.

### Traffic Safety

Alberta's traffic injury and fatality rates are above the national average. Traffic safety issues have a tremendous financial impact on government through the provision of health care, loss of productivity, insurance issues, enforcement and prosecution, and road construction and maintenance. In response, the Alberta Traffic Safety Plan and a number of other initiatives have been developed. A coordinated effort from all involved parties is required to achieve significant change.

### Proposed Amendments to the *Criminal Code*

In May 2006, the federal government announced potential changes to the *Criminal Code* and other criminal legislation. These Bills, which have now been introduced into Parliament, include significant restrictions on the use of conditional sentences, imposing mandatory minimum jail penalties for many firearms offences, improving the effectiveness of the DNA national database and the National Sex Offender Registry, raising the age of consent to sexual activity to 16 years of age and abolishing the long gun National Firearms Registry. Alberta has been advocating for these changes at Federal/Provincial/Territorial forums for several years. Should these and other proposed changes be passed into law, they will significantly impact the criminal justice system.

## STRATEGIC PRIORITIES 2007-10

Through the Ministry's review of external and internal opportunities and challenges, the following strategic priorities have been identified. The priorities are all of equal importance to the Ministry.

### GOVERNMENT PRIORITY – PROVIDE SAFE AND SECURE COMMUNITIES

| | |
|---|---|
| **1. Reducing Crime and Supporting Safe Communities**<br>**Linkage: Goal 1** | As outlined in the Minister's mandate letter, a Crime Reduction and Safe Communities task force will be established to make recommendations on reducing crime, enhancing safety in our communities and improving public confidence in the criminal justice system. The task force's findings and recommendations will play an important part in the ongoing work of an existing cross ministry team that will develop and implement an **Integrated Crime Reduction Strategy** designed to respond to a wide range of factors which lead to and influence crime and criminal behaviour. |
| **2. Work with Federal, Provincial and Territorial Partners on Amendments to the *Criminal Code* of Canada.**<br>**Linkage: Goal 1** | It is the Ministry's priority, as outined in the Minister's mandate letter, to partner with the federal government to support their efforts to implement minimum sentencing, reduce conditional sentencing and establish appropriate penalties for serious crimes. In order to maintain the public's confidence in the justice system, those convicted of serious offences must face real jail time. This must, however, be balanced in less serious cases where the use of conditional sentences can be an effective tool. Mandatory minimum penalties are needed to ensure sentencing is proportionate to the seriousness of offences that involve gun and gang violence and to prevent serious offenders from receiving a conditional sentence. |
| **3. Family Violence Strategy**<br>**Linkage: Goal 1** | Since the Alberta Roundtable on Family Violence and Bullying in May 2004, Alberta has taken many positive steps toward prevention of and effective intervention in family violence. However, deaths as a result of intimate or ex-intimate partner relationships are still occurring. Although Alberta has many agencies that address family violence, they are not all well-positioned to deal with situations of high risk. The establishment of an Alberta Relationship Threat Assessment and Management Initiative provides an expert resource to professionally assess threats and their level of lethality, formulate mitigation strategies, develop safety plans, and conduct death reviews. This initiative is being coordinated with the Family Justice Strategy to ensure that the two initiatives support one another. |

| | |
|---|---|
| **4. Family Justice Strategy**<br>**Linkage: Goal 2** | The Family Justice Strategy is focused on the alignment of family law and procedures. It has a long term goal of creating a family law system that offers a common set of procedures and appropriate services to all family law applicants, regardless of geography or the level of court to which they apply. |
| **5. Appropriate Dispute Resolution**<br>**Linkage: Goal 2** | Justice is committed to providing high quality dispute resolution processes to Albertans. Appropriate dispute resolution can help litigants to resolve their disputes efficiently and effectively and in ways that best meet their needs. Continuing to develop carefully planned appropriate dispute resolution programs in collaboration with a wide variety of stakeholders to meet the needs of both litigants and service providers is a key strategic priority for the Ministry. This initiative addresses the common belief that the court system is costly, adversarial and more accessible for those with more money. |
| **6. Information Management and Efficiency**<br>**Linkage: Goal 2** | To ensure accountability in the delivery of Ministry programs and services, corporate and program policy should be developed based on evidence-based decision making. Enhanced research, best practices, management information, evaluation, and performance management methodologies need to be in place to ensure the justice system operates in the best way possible. The justice system works best when information can be shared between ministries and other justice partners as well as between different levels of government. Consequently, the Ministry is committed to developing appropriate integrated databases and case management software systems that serve its information needs and provide superior decision-making information, and to ensuring processes are in place to make use of all available information. The Justice Information Management System initiative will improve management information reporting capabilities. |
| **7. Self-represented Litigants**<br>**Linkage: Goal 2** | Self-represented litigants sometimes have a difficult time accessing the justice system. They also appear to use more justice system resources due to lack of understanding of the justice system, its processes and how those processes relate to their legal issues. A key strategic priority for Justice is to enhance access to justice for people acting on their own behalf and reduce the impact self-represented litigants have on court resources. |
| **8. Stakeholder Engagement Strategy**<br>**Linkage: Goal 4** | To effectively respond to the key issues of Alberta's justice system, the Ministry must work with Albertans and justice stakeholders in a collaborative, consultative, and continuous way that coordinates efforts and clarifies roles and responsibilities. This includes providing more opportunities for engagement, and making stakeholder involvement an integral part of the policy and decision-making process. Strong partnerships with stakeholders are required for the Ministry to enhance Albertans' understanding of the rule of law and increase their confidence in the justice system. |

## GOVERNMENT PRIORITY – GOVERN WITH INTEGRITY AND TRANSPARENCY

| | |
|---|---|
| **9. Lobbyist Registry**<br>**Linkage: Goal 4** | Establish a framework for a lobbyist registry as outlined in the Minister's mandate letter; prohibit lobbyists from giving paid advice to government at the same time as they are lobbying the same subject matter and establish a framework to release information about government contracts on a regular basis. |

# CORE BUSINESSES, GOALS, STRATEGIES & PERFORMANCE MEASURES

## Core Business One: Prosecutions

The Criminal Justice Division has responsibility for general prosecutions of persons charged with *Criminal Code, Youth Criminal Justice Act* and provincial statute offences, and also handles criminal appeals in the Alberta Court of Appeal and the Supreme Court of Canada on behalf of Alberta's Attorney General. By vigorously prosecuting cases involving serious and violent crime and working with individuals and organizations in the community to identify and implement improved and alternative approaches to the administration of criminal justice, the division promotes safe communities for Albertans. Special prosecutions provides specialized prosecution of commercial, organized, technology and Internet crime cases, management of the prosecution of large-scale cases, and mutual international legal assistance. Criminal Justice also provides management and leadership services such as developing criminal law policy for the province and supporting criminal law consultation with other levels of government.

### GOAL ONE 1 Promote safe communities in Alberta

**What it means** Through public consultations, Albertans have indicated that safe communities in which they can live, work, and raise their families in safety and security without fear of crime or victimization is a high priority. The crimes that threaten our communities are becoming more sophisticated, and the criminal justice system must be positioned to investigate and prosecute the new face of crime.

**Strategies**

1.1 Continue to co-lead the cross-ministry Integrated Crime Reduction Strategy with Solicitor General and Public Security and establish the Crime Reduction and Safe Communities Task Force to make recommendations on reducing crime and fear of crime, improving community safety, increasing public confidence in the criminal justice system and improving public awareness, education and communication among stakeholders.

1.2 Work with traffic safety partners to implement initiatives to improve road safety in Alberta and explore opportunities to enhance the effectiveness of investigating and prosecuting impaired driving cases. The pilot phase of the *Traffic Safety Act* Fines Enforcement initiative will be concluded and the program will expand across Alberta.

1.3 Implement approved recommendations of the Chief Crown Prosecutor Subcommittee mandated to develop strategies to improve the criminal justice response to sexual assault.

1.4 Enhance the capacity of the Prosecution Service to align with increasing police resources and vigorously prosecute serious and violent crime.

1.5 Work collaboratively with other government ministries and community partners to implement initiatives that prevent family violence and, when it does occur, effectively intervene through the advancement of the Alberta Relationship Threat Assessment and Management Initiative and the implementation of specialized court processes.

1.6 Partner with the federal government to support their efforts to implement minimum sentencing, reduce conditional sentencing, and establish appropriate penalties for serious crimes.

1.7 Assist with the review of the *Provincial Offences Procedure Act*.

1.8 Participate with Solicitor General and Public Security and other stakeholders in the implementation of the government-accepted recommendations of the MLA Report of the Alberta Victims of Crime Consultation that relate specifically to Justice.

| Performance Measures | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 1.a **Public Perception of Safety in the Home** The percentage of Albertans who feel "reasonably safe" to "very safe" in their home after dark | 93% | 91% | 91% | 91% |
| 1.b **Public Perception of Safety in the Neighbourhood** The percentage of Albertans who feel "reasonably safe" to "very safe" walking alone in their area after dark | 72% | 82% | 82% | 82% |

**Source:**
Annual Public Opinion Survey

## Core Business Two: Courts

Alberta courts are presided over by an independent judiciary. There are three courts in the province - the Court of Appeal, the Court of Queen's Bench, and the Provincial Court. Court Services Division provides administrative support to the courts. Court Services also provides policy advice and assistance to the Minister and the Ministry in relation to court issues. Court Services' stakeholders include the public, the legal profession, law enforcement services, correctional authorities and various service providers.

GOAL TWO 2

### Promote a fair and accessible civil and criminal justice system

**What it means** Justice is responsible for helping to resolve criminal and civil disputes through reasonable access to court resources and dispute resolution opportunities. This includes alternatives to traditional court processes such as mediation, judicial dispute resolution, and mini-trials. By speeding up the process and lowering costs, these alternatives can improve access to the justice system.

**Strategies**

2.1 Improve access to the court system through the use of technology such as video conferencing.

2.2 Develop an implementation plan to move forward with the Justice Information Management System initiative. The plan will be based on the previous year's documented business requirements, go-forward strategy and business case.

2.3 Integrate and streamline delivery of all aspects of Family Justice.

2.4 Initiate, coordinate and evaluate mediation and other appropriate dispute resolution processes.

2.5 Work with Infrastructure and Transportation and the judiciary to ease court crowding, modernize buildings and improve access to the justice system.

2.6 Improve and streamline access to justice in Calgary by increasing the number of court sittings and enhancing support functions in the new Calgary Courts Centre.

2.7 Work with Solicitor General and Public Security to enhance the integration and effectiveness of the Provincial Security Program, including perimeter security and enhanced security for all courts.

2.8 Develop a strategy to address increasing traffic ticket and bylaw volumes and ensure effective processing of these matters in the courts. This strategy includes electronic ticket processing.

2.9 Rewrite the Rules of Court to simplify and update them by working in partnership with the Alberta Law Reform Institute, the Rules of Court Committee and other stakeholders as appropriate.

2.10 Facilitate a review of the Rules of Court and Practice Notes affecting family law to accommodate changes needed as a result of the Rules of Court Rewrite and to improve family law procedure.

2.11 Implement additional self-represented litigants' self-help centres and begin to evaluate those already in place.

2.12 Design and implement a focused public consultation process with the goal of determining what is meant by Access to Justice and how it can be improved.

2.13 Review and prepare proposals to consolidate Alberta Succession statutes (laws dealing with the disposition of property upon death).

| Performance Measures | Last Actual (year) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 2.a **Median Elapsed Time from First to Last Appearance**<br>Median elapsed time from first to last appearance represents the midpoint in the time it takes to process a case in provincial criminal court from first to last appearance | 73 (Canadian median: 109 days) (2003-04) | Below the Canadian Median | Below the Canadian Median | Below the Canadian Median |
| 2.b **Provincial Court Civil Mediation Settlement Rate**<br>The mediation settlement rate is the number of civil actions settled through the civil claims mediation program divided by the total number of civil actions mediated in the program | 65% (2005-06) | 63% | 63% | 63% |

**Sources:**

2.a Adult Criminal Court Survey, Canadian Centre for Justice Statistics

2.b Administrative data, Court Services Division

## Core Business Three: Justice Services to Albertans

The Ministry promotes fair and equitable access to the civil and criminal justice system by providing a broad range of justice services through the courts, prosecution, and appropriate dispute resolution mechanisms. Access to justice also means addressing barriers reducing Albertans' access to the justice system by providing legal representation for those in need of assistance and accurate and up-to-date information to increase awareness and knowledge of the justice system. In addition, services such as maintenance enforcement, estate and trust administration services, the Motor Vehicle Accident Claims Program and legal aid contribute to the preservation of a safe society for Albertans.

### GOAL THREE 3 Provide access to justice services for Albertans in need

**What it means** Through its programs and services, the Ministry of Justice provides support and protection to vulnerable citizens, including families who depend on court-ordered maintenance payments, individuals unable to protect their financial interests, and individuals who cannot afford legal counsel. Helping those in need is essential to Alberta's success.

**Strategies**

3.1 Work with Seniors and Community Supports to develop and implement a revised *Dependent Adults Act*.

3.2 Increase funding for legal aid, to maintain and improve access to justice for Albertans in need.

3.3 Respond to the increased workload caused by the Supreme Court decision on recalculation of child support.

3.4 Work to better address difficulties in exercising parenting time (access enforcement) in conjunction with the Family Justice Strategy.

3.5 Complete and initiate a work plan to increase the regularity of maintenance payments.

3.6 Develop a plan to increase clients' and the general public's understanding of the Maintenance Enforcement Program's roles and responsibilities.

3.7 Work with federal, provincial and territorial partners in the development of processes that will enhance reciprocal enforcement of criminal and traffic fines.

3.8 Implement an initiative that will increase the effectiveness of bail forfeiture collections.

| Performance Measures | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 3.a **Client Satisfaction with the Services of the Public Trustee's Office**<br>The percentage of clients "satisfied" to "very satisfied" with the services of the Public Trustee's Office | 89% | 87% | 87% | 87% |
| 3.b **Maintenance Enforcement Program: Dollars Due Compared to Dollars Received (per cent Collected)**<br>The program's collection rate on scheduled support and scheduled arrears payments | 91% | 87% | 88% | 89% |
| 3.c **Client Satisfaction with Legal Aid Services**<br>The percentage of respondents who were either "satisfied" or "very satisfied" with the service they received from Legal Aid Alberta (for all the services received through legal aid) | 79% | 80% | 80% | 80% |

**Sources:**
3.a Client Satisfaction Survey, Public Trustee's Office
3.b Administrative data, Maintenance Enforcement Program
3.c Client Satisfaction Survey, Legal Aid Alberta

GOAL FOUR 4

## Improve understanding of and confidence in the justice system

**What it means** Albertans recognize that information and education about the justice system is important. Perceptions of crime in their communities and the province, along with the information they receive from the media, affect their understanding of and confidence in the justice system. The Ministry will continue to work with partners to find better ways of informing Albertans about the justice system, including the development of new strategies and working with Education and other stakeholders to develop justice education resources for Alberta classrooms.

**Strategies**

4.1 Consult with stakeholders on programs, policies, and services in areas of provincial responsibility for the administration of justice.

4.2 Initiate and maintain partnerships with stakeholders through the Justice Policy Advisory Committee to identify information gaps and to determine potential research opportunities and effective justice education strategies.

4.3 Work with Education and other stakeholders to develop justice education resources for Alberta classrooms.

4.4 Establish a framework for a lobbyist registry; prohibit lobbyists from giving paid advice to government at the same time as they are lobbying the same subject matter and establish a framework to release information about payments under government contracts on a regular basis.

| Performance Measures | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 4.a **Public Knowledge of the Justice System**<br>The percentage of Albertans who feel "somewhat knowledgeable" to "very knowledgeable" about the justice system in Alberta | 62% | 65% | 66% | 67% |
| 4.b **Public Confidence in the Justice System**<br>The percentage of Albertans who feel "some confidence" to "a lot of confidence" in the justice system in Alberta | 74% | 80% | 80% | 80% |

**Source:**
Annual Public Opinion Survey

## Core Business Four: Legal and Strategic Services to Government

Civil Law provides legal services to all government ministries and represents them in matters before the courts and tribunals. Constitutional and Aboriginal Law provides specialized services to the government in constitutional and Aboriginal law matters. Legislative Reform provides advice on legislative policy. The Legislative Counsel Office is responsible for drafting government public bills, regulations and Orders in Council.

GOAL FIVE 5

### Assist government ministries to achieve their objectives through the provision of effective legal and related strategic services

**What it means** The government performs a number of roles as service provider, community partner, and lawmaker. These roles involve relationships with individuals, families, communities, and other governments. Effective legal services reduce the potential for conflict involving the government, as well as protecting and advancing the interests of the government. By providing effective legal and related strategic services, Justice can assist other ministries in achieving their corporate goals and strategic priorities.

**Strategies**

5.1 Enhance alignment of legal service resources with government ministries by continuing to modify legal service protocol agreements to meet the ongoing needs of client ministries and Justice.

5.2 Enhance service excellence to client ministries by:

- Meeting with client ministries to discuss their corporate counsel needs and how Justice can enhance their corporate counsel services to meet those needs;
- Enhancing clients' understanding of the role of Justice in the provision of legal services;
- Continuing to improve legal and support staff capabilities through an emphasis on professional development, including training and education.

5.3 Provide legal and related strategic advice to the Deputy and Assistant Deputy Minister committees in relation to Aboriginal self-government and the regulatory framework for economic activities on reserves.

5.4 Maintain a network of Government of Alberta legislative planners to facilitate the sharing of information on principles, processes and best practices in relation to the development of legislative proposals.

| Performance Measures | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 5.a **Client Satisfaction with Legal Services**<br>The percentage of client ministries "satisfied" to "very satisfied" with the legal services provided by the Legal Services Division, Civil Law | 93% | 89% | 89% | 89% |
| 5.b **Client Satisfaction with Assistance in Meeting Corporate Goals**<br>The percentage of client ministries "satisfied" to "very satisfied" that the legal services provided by the Legal Services Division, Civil Law helped them achieve their corporate goals | 89% | 85% | 85% | 85% |

**Source:**
Client Satisfaction Survey, Legal Services Division

## EXPENSE BY CORE BUSINESS

(thousands of dollars)

| | Comparable | | | | | |
|---|---|---|---|---|---|---|
| | 2005-06 | 2006-07 | 2006-07 | 2007-08 | 2008-09 | 2009-10 |
| | Actual | Budget | Forecast | Estimate | Target | Target |
| Prosecutions | 45,679 | 53,004 | 52,973 | 56,714 | 58,403 | 58,300 |
| Courts | 140,507 | 155,218 | 158,932 | 173,659 | 182,683 | 191,303 |
| Justice Services to Albertans | 84,921 | 110,379 | 110,314 | 117,636 | 127,440 | 134,972 |
| Legal and Strategic Services to Government | 28,011 | 30,000 | 29,982 | 34,001 | 35,051 | 36,191 |
| **MINISTRY EXPENSE** | 299,118 | 348,601 | 352,201 | 382,010 | 403,577 | 420,766 |

## MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

| | Comparable | | | | | |
|---|---|---|---|---|---|---|
| | 2005-06 | 2006-07 | 2006-07 | 2007-08 | 2008-09 | 2009-10 |
| | Actual | Budget | Forecast | Estimate | Target | Target |
| **REVENUE** | | | | | | |
| Transfers from Government of Canada | 12,837 | 12,747 | 12,747 | 12,747 | 12,747 | 12,747 |
| Investment Income | 792 | 425 | 425 | 500 | 500 | 500 |
| Premiums, Fees and Licences | 37,431 | 35,873 | 36,726 | 38,900 | 38,944 | 39,458 |
| Other Revenue | 78,208 | 76,124 | 85,045 | 97,462 | 106,222 | 108,922 |
| **MINISTRY REVENUE** | 129,268 | 125,169 | 134,943 | 149,609 | 158,413 | 161,627 |
| **EXPENSE** | | | | | | |
| **Program** | | | | | | |
| Ministry Support Services | 15,939 | 22,723 | 22,723 | 28,118 | 27,407 | 27,394 |
| Court Services | 131,295 | 143,901 | 147,501 | 159,548 | 168,937 | 177,516 |
| Legal Services | 82,862 | 93,310 | 93,310 | 102,089 | 105,996 | 107,578 |
| Support for Legal Aid | 30,998 | 43,196 | 43,196 | 45,346 | 53,810 | 59,838 |
| Public Trustee | 9,991 | 11,841 | 11,841 | 12,809 | 13,044 | 13,924 |
| Medical Examiner | 6,131 | 6,223 | 6,223 | 6,565 | 6,748 | 6,881 |
| Motor Vehicle Accident Claims | 28,708 | 26,558 | 26,558 | 26,686 | 26,786 | 26,786 |
| Valuation Adjustments and Other Provisions | (6,806) | 849 | 849 | 849 | 849 | 849 |
| **MINISTRY EXPENSE** | 299,118 | 348,601 | 352,201 | 382,010 | 403,577 | 420,766 |
| Gain (Loss) on Disposal of Capital Assets | - | - | - | - | - | - |
| **NET OPERATING RESULT** | (169,850) | (223,432) | (217,258) | (232,401) | (245,164) | (259,139) |

## CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

| | Comparable | | | | | |
|---|---|---|---|---|---|---|
| | 2005-06 | 2006-07 | 2006-07 | 2007-08 | 2008-09 | 2009-10 |
| | Actual | Budget | Forecast | Estimate | Target | Target |
| Ministry Revenue | 129,268 | 125,169 | 134,943 | 149,609 | 158,413 | 161,627 |
| *Inter-ministry consolidation adjustments* | 7,229 | - | - | - | - | - |
| **Consolidated Revenue** | 136,497 | 125,169 | 134,943 | 149,609 | 158,413 | 161,627 |
| Ministry Expense | 299,118 | 348,601 | 352,201 | 382,010 | 403,577 | 420,766 |
| *Inter-ministry consolidation adjustments* | - | - | - | - | - | - |
| **Consolidated Expense** | **299,118** | **348,601** | **352,201** | **382,010** | **403,577** | **420,766** |
| Gain (Loss) on Disposal of Capital Assets | - | - | - | - | - | - |
| **CONSOLIDATED NET OPERATING RESULT** | (162,621) | (223,432) | (217,258) | (232,401) | (245,164) | (259,139) |

# Municipal Affairs and Housing

BUSINESS PLAN 2007-10

## ACCOUNTABILITY STATEMENT

The business plan for the three years commencing April 1, 2007 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as of March 26, 2007 with material economic or fiscal implications of which I am aware have been considered in preparing the business plan.

The Ministry's priorities outlined in the business plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this business plan.

Ray Danyluk, *Minister of Municipal Affairs and Housing*
March 28, 2007

## THE MINISTRY

The Ministry of Municipal Affairs and Housing includes the Department of Municipal Affairs and Housing, the Municipal Government Board, the Safety Codes Council, the Special Areas Board, six Improvement Districts, the Alberta Emergency Management Agency, and the Alberta Social Housing Corporation. The Department of Municipal Affairs and Housing consists of the Local Government Services Division, the Public Safety Division, the Housing Services Division, and the Corporate Strategic Services Division.

Municipal Affairs and Housing assists municipalities in providing accountable and effective local government to Albertans, and administers a safety system that strives to ensure appropriate safety standards for the construction and maintenance of buildings and equipment. The Ministry also delivers programs to assist lower income Albertans in meeting their housing needs, and enhances Albertans' quality of life by promoting programs pertaining to libraries, communities, and the non-profit/voluntary sector.

The Municipal Government Board is an independent, quasi-judicial board that conducts hearings, renders decisions and/or provides recommendations to Cabinet on matters defined under the *Municipal Government Act.*

The Special Areas Board manages 2.8 million acres of public land in the Special Areas in eastern Alberta. It also provides municipal services to the dryland region within these Special Areas.

The six Improvement Districts provide limited municipal services, primarily in the National Parks.

The Alberta Emergency Management Agency reports directly to the Minister and is responsible for coordinating a comprehensive, cross-government all-hazards approach to managing emergencies in the province.

The Alberta Social Housing Corporation is an agent of the Crown established under the authority of the *Alberta Housing Act.* The corporation operates as an administrative entity for holding housing assets and administering some programs.

## VISION

*Municipal Affairs and Housing contributes to the development of strong, safe and sustainable communities.*

## MISSION

Municipal Affairs and Housing provides programs and services that help ensure Albertans are served by accountable and effective local governments; live in strong and safe communities; and that lower-income Albertans have access to housing that is affordable.

## LINK TO THE GOVERNMENT OF ALBERTA STRATEGIC BUSINESS PLAN

The following five goals in the Government of Alberta Strategic Business Plan are supported.

| Government of Alberta Goals | Ministry Services |
|---|---|
| **Goal 4:** Alberta will have a financially stable, open and accountable government and maintain its strong position nationally and internationally | • Operate Ministry programs in an open and accountable manner.<br>• Reduce debt servicing costs for housing assets owned by the Alberta Social Housing Corporation. |
| **Goal 6:** Albertans will be independent and our children will be well cared for | • Implement approved recommendations from the Housing Task Force to increase the availability of affordable housing.<br>• Provide housing support to Albertans who have difficulty meeting their housing needs.<br>• Encourage the public, private, and non-profit housing sectors to develop sustainable housing initiatives that serve identified community needs through approved capital funding. |
| **Goal 7:** Alberta will be a safe place to live, work and raise families | • Work with stakeholders to promote a comprehensive safety system and an effective emergency management system. |
| **Goal 8:** Albertans will have the opportunity to enjoy the province's natural, historical and cultural resources | • Support libraries, community capacity, and voluntary sector collaboration to achieve mutual goals. |

**Goal 9:** Alberta will have strong and effective municipalities and self-reliant Aboriginal communities

- Respond to the recommendations from the Oil Sands Ministerial Strategy Committee, related to Municipal Affairs and Housing.
- Partner with stakeholders to promote well-managed local governments.
- Help ensure the long-term sustainability of municipalities through appropriate legislation, capacity-building initiatives, and financial support.
- Work with municipalities to provide advisory, dispute resolution, and financial support.

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Municipal Affairs and Housing supports the Government priority to Manage Growth Pressures by addressing housing related growth issues under the Ministry strategic priority: Establish a housing task force to develop a plan to increase the availability of affordable housing.

The Ministry also supports the Government priority: Build a Stronger Alberta by working with the municipal associations and their members to address financial sustainability issues associated with fulfilling municipal roles and responsibilities under the Ministry strategic priority: Bring forward a response to recommendations from the Minister's Council on Municipal Sustainability on roles and responsibilities and new long-term, sustainable funding arrangements with municipalities.

## SIGNIFICANT OPPORTUNITIES AND CHALLENGES

Alberta municipalities and communities continue to face financial, infrastructure and service challenges as significant population growth, on-going economic development and a shortage of skilled workers intensify in certain parts of the province. Due to these factors, six opportunities and challenges have been identified.

**Housing Pressures**

Higher housing costs, increased utility costs, low vacancy rates and continued immigration to the province have contributed to the demand for housing that is affordable. The private sector has focused on building owned rather than rental property.

**Municipal Growth Pressures**

Many municipalities and communities are finding it a challenge to provide the services and infrastructure required by growth. There is an opportunity for the Ministry to work with municipalities and the Minister's Council on Municipal Sustainability to analyze the impacts of growth, to address special financial problems, and to deal with broad planning and coordination issues to maximize opportunities and reduce inter-municipal disputes.

It is also a challenge for municipalities to manage the risks associated with the escalated rate of building, development and dangerous goods transport required to support the high level of growth.

**Challenges of Municipal Financial Sustainability and Municipal Capacity**

While some municipalities are benefiting from economic and population growth, others are struggling with a shrinking tax base. There is an opportunity for the Ministry to work with the province's 363 municipalities and the Minister's Council on Municipal Sustainability to address general financial needs and provide special assistance to municipalities with weak revenue bases.

As well, many of Alberta's rural and small urban municipalities are struggling to meet their core responsibilities because of capacity issues. A key challenge for the Ministry is to help smaller municipalities meet their various obligations, particularly new obligations related to implementing new standards.

**Managing Emergencies**

The provincial emergency management system continues to be challenged by evolving risks to Albertans associated with environmental and weather related incidents, health emergencies such as the potential of pandemic influenza, and industries with a higher risk of impacting the population in the event of an emergency. A key challenge for the Ministry is the creation of a stronger emergency management agency.

Communities across Alberta face a challenge in sustaining volunteer fire services. There is an increasing need to support these communities by providing them with expert technical and operational advice, assisting them with inspections and investigations, and delivering the public education programs needed to help prevent fires and emergency incidents.

**Library Accessibility**

Public libraries continue to experience a growing demand for both traditional and new library services. They are impacted by population shifts, an increasingly diverse population base and expectations for increased service hours. Library services must continue to be innovative, plan for and respond to these challenges.

**Challenges within Voluntary Sector and Community Capacity**

Alberta communities benefit from the non-profit/voluntary sector which plays a crucial role in developing programs and services and fostering citizen participation. However, the voluntary sector is limited by an aging population, increasingly busy lifestyles and concerns with liability issues.

With the support of its partners, the Ministry is committed to addressing new opportunities and challenges, accommodating new technologies and developing effective solutions to meet the changing needs and priorities of Albertans.

## STRATEGIC PRIORITIES 2007-10

Through the Ministry's review of external and internal challenges, the strategic priorities described below have been identified. These are in addition to the important ongoing core activities of the Ministry.

### GOVERNMENT PRIORITY – MANAGE GROWTH PRESSURES

1. **Establish a Housing Task Force to develop a plan to increase the availability of affordable housing**

   **Linkage: Goal 6**

   Support the Housing Task Force and, following receipt by the government of the Housing Task Force Report, develop an action plan, including outcomes, to implement the accepted recommendations.

   Monitor housing needs across Alberta to target available resources to address increased housing pressures on affordable and aboriginal off-reserve housing and homelessness. The Ministry will also work with public and private stakeholders to examine options in providing housing support services.

2. **Implement the accepted Municipal Affairs and Housing recommendations from the Oil Sands Ministerial Strategy Committee on impacts of development in oil sands communities**

   **Linkage: Goals 1, 2, 6, 8 and 9**

   Respond to the recommendations of the Oil Sands Ministerial Strategy Committee, as they relate to Municipal Affairs and Housing.

**3. Consult with municipal government on regional planning issues and a dispute resolution mechanism**

**Linkage: Goals 1**

Consult with municipalities, municipal associations and other stakeholders to develop guidelines for resolving regional planning issues. Build on the success of the current Municipal Dispute Resolution Initiative, and develop other initiatives, as required, to promote cooperation and help resolve growth-related conflicts between neighboring municipalities.

**4. Address Municipal Growth and Capacity Building**

**Linkage: Goals 1, 2, 5, 7, 8 and 9**

Evaluate the impact of high growth on municipalities, including infrastructure, land-use, services, and revenue needs, in order to help affected municipalities address capacity issues and improve the coordination of the responses to growth-related challenges.

Continue to help expand the pool of Albertans who are interested and qualified in the fields of municipal administration, planning and assessment, and to increase the capacity of current municipal staff to provide good administration and service delivery to the citizens of their municipality.

Incorporate new proactive programs into the safety system to provide growing communities with the tools they need to incorporate risk assessment into their planning.

## GOVERNMENT PRIORITY – BUILD A STRONGER ALBERTA

**5. Bring forward a response to recommendations from the Minister's Council on Municipal Sustainability on roles and responsibilities and new long term, sustainable funding arrangements with municipalities**

**Linkage: Goals 1, 2 and 7**

Work with the municipal associations and their members to address financial sustainability issues associated with fulfilling municipal roles and responsibilities and preserving the quality of life of their residents. The Ministry will work in collaboration with other ministries to implement the provincial government's commitments regarding funding for municipalities.

## GOVERNMENT PRIORITY – PROVIDE SAFE AND SECURE COMMUNITIES

**6. Accelerate the implementation of the Emergency Preparedness initiative**

**Linkage: Goals 8 and 9**

Establish and sustain the Alberta Emergency Management Agency.

Enhance the province's emergency management system through an increased focus on consolidated risk management and modern technology leading to better prevention and mitigation strategies. Working with all stakeholders, cross-government coordination and strategic planning will focus on preventing or reducing the probability of disasters.

Work with Alberta's fire services, industry, municipalities, government departments and other key stakeholders to develop a unifying framework to better coordinate the delivery of community-based fire and emergency service operations.

## GOVERNMENT PRIORITY – IMPROVE ALBERTANS' QUALITY OF LIFE

**7. Strengthen Voluntary Sector and Community Capacity**

**Linkage: Goal 5**

Develop policy recommendations for Alberta's non-profit/voluntary sector, including a non-profit/voluntary sector framework and agreement.

Support the province's libraries which are the hub of many communities.

# CORE BUSINESSES, GOALS, STRATEGIES & PERFORMANCE MEASURES

## Core Business One: Support the development and long-term sustainability of local governments, the voluntary sector and communities

### GOAL ONE 1 A responsive, cooperative and well-managed local government sector

**What it means** Through partnerships, cooperation, and an appropriate legislative framework, the Ministry promotes Alberta's prosperity by encouraging the development of an efficient and responsive local government sector that provides the services and infrastructure Albertans and businesses need.

**Strategies**

1.1 Provide support systems, deliver programs and encourage partnerships that foster excellence in local governance, management and service delivery.

1.2 Support local and intermunicipal governance, planning, and management by providing advisory services, training opportunities, and dispute resolution mechanisms.

1.3 Assist the sustainability of high growth municipalities by providing sound information and analysis, consulting with municipalities on regional planning and dispute resolution issues, promoting innovative strategies and responding to growth-related challenges, particularly to those identified in the recommendations of the Oil Sands Ministerial Strategy Committee.

1.4 Enhance the relationship between the province and municipalities through a number of approaches, including responding to the recommendations from the Minister's Council on Municipal Sustainability.

1.5 Facilitate a legislative framework that enables municipalities to operate successfully and meet the local needs of Albertans by monitoring provincial legislation and regulations related to municipalities and recommending changes, where appropriate, that support improved approaches to local governance, election processes, and service delivery.

1.6 Provide management and administrative services for the Special Areas and National Park Improvement Districts.

| Performance Measures | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 1.a Level of satisfaction with the Local Government Services Division's activities, services and programs, in enabling and promoting a cooperative and well-managed local government sector | 89% | 89% | 89% | 89% |
| 1.b Albertans' satisfaction with their local governments – Percentage satisfied | 80% | 80% | 80% | 80% |

### GOAL TWO 2 Financially sustainable and accountable municipalities

**What it means** The Ministry contributes to the financial sustainability of local governments, which are responsible and accountable to their citizens, by providing financial support, advice and services.

**Strategies**

2.1 Assist the local government sector to meet the financial reporting and accountability requirements contained in the legislation and regulations.

2.2 Build municipal capacity by providing financial support to local government and partnership initiatives.

2.3 Work with municipalities, other ministries and the federal government to improve long-term municipal sustainability.

| **Performance Measure** | **Last Actual (2005-06)** | **Target 2007-08** | **Target 2008-09** | **Target 2009-10** |
|---|---|---|---|---|
| 2.a Percentage of municipalities meeting the Ministry's criteria of financial accountability as established in the *Municipal Government Act* | 98% | 98% | 98% | 98% |

## GOAL THREE 3 A well-managed and efficient assessment and property tax system in which stakeholders have confidence

**What it means** The Ministry promotes a fair, reliable and transparent system of generating local and provincial revenue through taxation of property. The key result is an assessment and property tax system that is accurate, understandable, predictably and timely.

**Strategies**

3.1 Promote an assessment and property tax system that is accurate, predictable and transparent by providing advice, updating and maintaining assessment legislation, regulations and publications, and conducting a comprehensive assessment audit program.

3.2 Contribute to an effective and efficient system for assessment and taxation by providing timely and accurate assessments for all linear property and preparing equitable education requisitions for all municipalities.

| **Performance Measure** | **Last Actual (2005-06)** | **Target 2007-08** | **Target 2008-09** | **Target 2009-10** |
|---|---|---|---|---|
| 3.a Percentage of municipal assessment rolls that meet provincial standards for procedures, uniformity and equity | 98% | 98% | 98% | 98% |

## GOAL FOUR 4 Municipal Government Board administers appeals and issues timely and impartial decisions of high quality

**What it means** The Board provides an effective and responsive independent, quasi-judicial adjudication appeal system that is seen as being fair and impartial by all parties to a complaint or appeal. The key results are timely processing of appeals filed with the Board and high-quality, independent processes, decisions and solutions on matters as specified in the *Municipal Government Act*.

**Strategies**

4.1 Ensure timely processing of appeals filed with the Board.

4.2 Maintain an appeal system that provides high-quality, independent processes, decisions and solutions.

| Performance Measure | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 4.a Percentage of parties who appear before the Municipal Government Board who are satisfied or neutral regarding the Board's services and processes | 85% | 80% | 80% | 80% |

**Note:**
Considering the environment of Board hearings, in which 50 per cent of parties receive an unfavourable decision, the Board will strive to attain the 80 per cent target.

GOAL FIVE

## 5 An accessible public library service and effectively supported communities and voluntary sector

**What it means** Albertans have access to public libraries and the voluntary sector and communities are enhanced through improved partnerships that strengthen their ability to address challenges and take advantage of opportunities.

**Strategies**

5.1 Implement the Alberta Non-Profit/Voluntary Sector Initiative Framework and Partnership Agreement to address challenges and to support the voluntary sector.

5.2 Support a province-wide library system and information network, and maximize connection to the Alberta SuperNet.

5.3 Provide consultative services, training, and facilitation for community organizations.

5.4 Provide facilitation services and support to government for public consultations.

| Performance Measures | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 5.a Usage of public library services by adult Albertans | 51.7% | 52% | 53% | 53% |
| 5.b Customer satisfaction with capacity building facilitation services and workshops | 97.7% | 98% | 98% | 98% |

## Core Business Two: Provide a range of housing options and supports for lower-income Albertans

GOAL SIX

## 6 Lower-income Albertans have access to a range of housing options and effectively managed housing programs that are focused on those most in need

**What it means** Albertans value their independence and want to have a choice in how and where they live, whenever possible. Lower-income Albertans may have difficulty meeting their housing needs, which can vary at different stages of their lives. For example, disabilities, illness, conditions related to aging, or homelessness all require different accommodations and supports. The cost of private-sector housing options is beyond the reach of many Albertans.

The Ministry funds a range of housing options that are intended to help people with lower incomes move toward independent living situations or remain as independent as possible in the community. Housing options may include emergency and transitional housing, housing for persons with disabilities, family housing, and affordable and accessible housing units.

The Ministry is the steward of a housing portfolio that is managed through local management bodies. The Ministry works to ensure these management bodies are operating effectively and within legislative requirements, resulting in greater responsiveness to individual needs and improved quality of housing and services provided to residents.

**Strategies**

6.1 Develop an action plan, including outcomes, to respond to the recommendations coming from the Housing Task Force, as approved, focusing on the acute shortage of affordable and accessible housing across Alberta.

6.2 Provide approved capital funding and develop partnerships with public and private operators to increase the supply of sustainable affordable housing.

6.3 Continue to make provincially-owned land available for affordable housing in high-growth communities such as Fort McMurray.

6.4 Work in partnership with housing operators to monitor changing needs of tenants served by housing programs.

6.5 Explore effective models, in collaboration with other ministries, to support transitional housing.

6.6 Focus resources on maintaining aging provincially-owned housing.

6.7 Evaluate the effectiveness of affordable housing and projects that received capital assistance in meeting the goal and requirement of providing long-term affordable housing options.

| Performance Measure | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 6.a Number of affordable housing units developed with support from provincial funding | 755 | 306[1] | 240[1] | 240[1] |

**Note:**

[1] Unit counts based on Federal funding approved for 2007-08 to 2009-10.

New measure: Percentage of applicants on the family housing waitlist who are determined to be in critical need that are housed in 60 working days or less.

New measure under development: Percentage of medium to high-risk management bodies that reduce their risk analysis score.

## Core Business Three: Administer the Safety System to support the development and maintenance of safe and viable communities

### GOAL SEVEN 7 A comprehensive system of safety codes and standards that provides an appropriate level of public safety

**What it means** Municipal Affairs and Housing and its partners deliver effective community-focused public safety programs and services that include risk management elements and give Albertans confidence that their homes, buildings and facilities, and equipment such as elevators and electrical, heating and plumbing systems are constructed and maintained to safe standards.

**Strategies**

7.1 Address the increasing number of public safety and land-use planning issues associated with failing or ineffective private sewage disposal systems that create health and environmental risks and negatively impact sustainable development in areas not serviced by municipal sewage systems.

7.2 Develop a clear accountability framework for the safety system that is based on a community-focused risk management approach and harmonize the *Safety Codes Act* with other legislation affecting municipal safety programs and services.

7.3 In partnership with the Safety Codes Council, maintain a framework of codes, standards and guidelines that are appropriate for Alberta and are harmonized with national and international models.

7.4 Provide monitoring and support services that help municipalities and delegated authorities deliver effective community-focused safety services and support the Safety Codes Council's implementation of the electronic permit system.

7.5 Assist municipalities and other eligible site owners with cleaning up current or former gas station sites contaminated by leaking underground petroleum storage tanks.

| Performance Measure | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 7.a The percentage of assessed accredited municipal entities, corporations, agencies and delegated administrative organizations administering the *Safety Codes Act* that achieve a satisfactory rating | 96% | 97% | 98% | 100% |

## Core Business Four: Leading and managing the provincial emergency management system and making communities safer

### GOAL EIGHT 8 An effective emergency management system

**What it means** Alberta's communities and the provincial government, in collaboration with partners that include all orders of government, the private sector and non-government organizations, continually enhance an emergency management system that enables prevention and mitigation of, preparation for, response to, and recovery from major emergencies.

**Strategies**

8.1 Create and sustain a world-class emergency management system: lead cultural change through the development of an emergency management agency with a view to developing proactive response, central coordination, research and development and oversight of all Government of Alberta emergency management responsibilities.

8.2 Lead and coordinate Alberta's emergency and disaster mitigation processes, working with all levels of government in the development of prevention and mitigation projects, public alerting and leading a risk-based emergency management system.

8.3 Maintain readiness for all emergencies through communications, awareness, emergency management courses, exercises and maintaining operational readiness with all partners and stakeholders.

8.4 Coordinate the provincial response to emergencies through close coordination with all levels of government and external stakeholders in providing advice, guidance and extensive proactive support during emergencies.

8.5 Lead or coordinate provincial recovery activities in response to disasters through the timely delivery of disaster recovery financial assistance and requesting federal assistance via the Disaster Financial Assistance Arrangement.

| Performance Measures | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 8.a Percentage of claims where a member of the damage assessment team arrives on site within 30 days of a claim being received | 72.5% | 100% | 100% | 100% |
| 8.b The level of preparedness, as measured by the percentage of municipalities that have conducted an emergency management exercise in the last four years | 90% | 94% | 94% | 94% |

## GOAL NINE 9 Effective fire and emergency services and reduced fire deaths and injuries

**What it means** Municipalities are supported in their efforts to assess and mitigate risk within their communities and to continually improve the effectiveness of their fire and emergency response organizations. Albertans also have responsive public education programs and services that teach people how to prevent fires and avoid injuries.

**Strategies**

9.1 Support the effective delivery of fire and emergency services throughout the province.

9.2 Contribute to a reduction in the number of fires, related deaths and property damage and accidental injuries that occur in Alberta.

| Performance Measure | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 9.a Fire deaths per 100,000 population (10-year moving average) | 1.19 | Less than or equal to 2006-07 Actual | Less than or equal to 2007-08 Actual | Less than or equal to 2008-09 Actual |

## EXPENSE BY CORE BUSINESS
(thousands of dollars)

| | Comparable | | | | | |
|---|---|---|---|---|---|---|
| | 2005-06 Actual | 2006-07 Budget | 2006-07 Forecast | 2007-08 Estimate | 2008-09 Target | 2009-10 Target |
| Local Governments, Voluntary Sector and Communities | 155,887 | 147,143 | 139,075 | 451,513 | 511,285 | 659,266 |
| Housing Options and Supports for Lower-income Albertans | 243,874 | 256,467 | 299,910 | 360,743 | 358,794 | 290,920 |
| Safety System | 8,625 | 8,698 | 22,226 | 35,920 | 19,250 | 11,557 |
| Emergency Management System | 175,532 | 8,387 | 16,128 | 11,317 | 11,427 | 11,588 |
| **MINISTRY EXPENSE** | 583,918 | 420,695 | 477,339 | 859,493 | 900,756 | 973,331 |

## MINISTRY STATEMENT OF OPERATIONS
(thousands of dollars)

| | Comparable | | | | | |
|---|---|---|---|---|---|---|
| | 2005-06 Actual | 2006-07 Budget | 2006-07 Forecast | 2007-08 Estimate | 2008-09 Target | 2009-10 Target |
| **REVENUE** | | | | | | |
| Internal Government Transfers | 24,000 | 26,000 | 26,000 | 26,000 | 26,000 | 26,000 |
| Transfers from Government of Canada | 223,471 | 93,884 | 129,225 | 105,399 | 100,474 | 74,236 |
| Investment Income | 2,290 | 1,575 | 4,175 | 3,150 | 3,625 | 4,100 |
| Premiums, Fees and Licences | 404 | 395 | 385 | 221 | 221 | 215 |
| Net Income from Commercial Operations | 1,007 | 72 | 1,550 | (133) | (133) | (133) |
| Other Revenue | 4,650 | 3,933 | 4,484 | 4,300 | 4,470 | 4,643 |
| **MINISTRY REVENUE** | 255,822 | 125,859 | 165,819 | 138,937 | 134,657 | 109,061 |
| **EXPENSE** | | | | | | |
| **Program** | | | | | | |
| Ministry Support Services | 10,902 | 11,073 | 12,105 | 13,317 | 13,503 | 13,803 |
| Local Government Services | 102,539 | 113,770 | 105,231 | 415,611 | 475,058 | 622,642 |
| Public Safety | 6,675 | 6,752 | 20,102 | 33,587 | 16,885 | 9,140 |
| Emergency Management Alberta | 174,357 | 7,230 | 14,865 | 9,929 | 10,020 | 10,151 |
| Municipal Government Board | 3,323 | 3,059 | 3,268 | 3,417 | 3,465 | 3,514 |
| Libraries, Community and Voluntary Services | 44,408 | 24,718 | 24,468 | 25,775 | 25,960 | 26,158 |
| Housing Services | 156,915 | 140,130 | 189,895 | 287,938 | 287,286 | 220,769 |
| Alberta Social Housing Corporation - Housing Portfolio | 45,487 | 47,984 | 47,984 | 47,984 | 47,984 | 47,984 |
| Valuation Adjustments and Other Provisions | 329 | 200 | 200 | 200 | 200 | 200 |
| **Program Expense** | 544,935 | 354,916 | 418,118 | 837,758 | 880,361 | 954,361 |
| **Debt Servicing Costs** | | | | | | |
| Alberta Social Housing Corporation | 38,983 | 65,779 | 59,221 | 21,735 | 20,395 | 18,970 |
| **MINISTRY EXPENSE** | 583,918 | 420,695 | 477,339 | 859,493 | 900,756 | 973,331 |
| Gain (Loss) on Disposal of Capital Assets | 25,417 | 36,473 | 21,780 | 13,254 | 11,873 | 12,024 |
| **NET OPERATING RESULT** | (302,679) | (258,363) | (289,740) | (707,302) | (754,226) | (852,246) |

# CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

| | Comparable | | | | | |
|---|---|---|---|---|---|---|
| | 2005-06 Actual | 2006-07 Budget | 2006-07 Forecast | 2007-08 Estimate | 2008-09 Target | 2009-10 Target |
| Ministry Revenue | 255,822 | 125,859 | 165,819 | 138,937 | 134,657 | 109,061 |
| *Inter-ministry consolidation adjustments* | (25,110) | (28,087) | (28,087) | (28,087) | (28,087) | (28,087) |
| **Consolidated Revenue** | 230,712 | 97,772 | 137,732 | 110,850 | 106,570 | 80,974 |
| Ministry Program Expense | 544,935 | 354,916 | 418,118 | 837,758 | 880,361 | 954,361 |
| *Inter-ministry consolidation adjustments* | (1,110) | (2,087) | (2,087) | (2,087) | (2,087) | (2,087) |
| **Consolidated Program Expense** | **543,825** | **352,829** | **416,031** | **835,671** | **878,274** | **952,274** |
| Ministry Debt Servicing Costs | 38,983 | 65,779 | 59,221 | 21,735 | 20,395 | 18,970 |
| *Inter-ministry consolidation adjustments* | (14,805) | (42,785) | (36,227) | - | - | - |
| **Consolidated Debt Servicing Costs** | 24,178 | 22,994 | 22,994 | 21,735 | 20,395 | 18,970 |
| **Consolidated Expense** | 568,003 | 375,823 | 439,025 | 857,406 | 898,669 | 971,244 |
| Gain (Loss) on Disposal of Capital Assets | 25,417 | 36,473 | 21,780 | 13,254 | 11,873 | 12,024 |
| **CONSOLIDATED NET OPERATING RESULT** | (311,874) | (241,578) | (279,513) | (733,302) | (780,226) | (878,246) |

# Seniors and Community Supports

BUSINESS PLAN 2007-10

## ACCOUNTABILITY STATEMENT

The business plan for the three years commencing April 1, 2007 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as of March 26, 2007 with material economic or fiscal implications of which I am aware have been considered in preparing the business plan.

The Ministry's priorities outlined in the business plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this business plan.

Greg Melchin, FCA, *Minister of Seniors and Community Supports*
March 29, 2007

## THE MINISTRY

The Ministry consists of the Department of Seniors and Community Supports and the Persons with Developmental Disabilities Community Boards.

The Department includes three divisions: Seniors Services, Disability Supports, and Community Support Programs and Strategic Planning. Corporate functions support department-wide operations. The Department provides administrative, planning and research support to the Seniors Advisory Council for Alberta and the Premier's Council on the Status of Persons with Disabilities.

The Persons with Developmental Disabilities Community Boards are agents of the Crown as established by the *Persons with Developmental Disabilities Community Governance Act*. The Ministry continues to have joint authority for the *Alberta Housing Act*. The Alberta Social Housing Corporation, which is established under the *Alberta Housing Act*, administers seniors housing on behalf of the Ministry.

## VISION

*A vibrant province where all Albertans live with dignity as full participants in society and experience the best possible well-being and independence.*

## MISSION

Enhance the independence, well-being and inclusion of seniors and persons with disabilities through programs, services, information, monitoring and strategic planning.

## CORE BUSINESSES

| | |
|---|---|
| **Core Business 1:** | **Provide targeted financial assistance** |
| Goal 1: | Seniors in need have access to financial assistance that will enable a secure and dignified way of living |
| Goal 2: | Albertans with a severe and permanent disability have access to financial assistance that enables them to become as independent as possible |
| **Core Business 2:** | **Plan, provide and coordinate supports and services for living in the community** |
| Goal 3: | Seniors and persons with disabilities have appropriate supportive living options |
| Goal 4: | The Ministry's health-related and disability supports and services enhance independence and well-being |
| Goal 5: | Seniors and persons with disabilities live in supportive, barrier-free communities and have access to the necessary supports and services to enhance independence |
| Goal 6: | Safeguards for seniors and persons with disabilities are provided |

## LINK TO THE GOVERNMENT OF ALBERTA STRATEGIC BUSINESS PLAN

The Ministry of Seniors and Community Supports' business plan links to the government priority to Improve Albertans' Quality Of Life through the strategic priority to improve supports and services for persons with disabilities through better coordination and integration of programs.

The Ministry of Seniors and Community Supports aligns with the following goals of the Government of Alberta Strategic Business Plan.

| Government of Alberta Goal | Ministry Services |
|---|---|
| **Goal 5**: Albertans will be healthy | • Provide health-related supports through the Assured Income for the Severely Handicapped program.<br>• Assist individuals to maintain their independence with the provision of medical equipment through the Alberta Aids to Daily Living program.<br>• Implement accommodation standards for supportive living and long-term care facilities. |
| **Goal 6**: Albertans will be independent and our children will be well cared for | • Provide a monthly living allowance to clients through the Assured Income for the Severely Handicapped program.<br>• Deliver or support programs to enable persons with disabilities to participate in community life.<br>• Provide services, information and safeguards that enhance the safety and security of adult Albertans.<br>• Deliver financial supports for lower-income seniors through the Alberta Seniors Benefit and Special Needs Assistance for Seniors programs. |

| | |
|---|---|
| **Goal 6**: Albertans will be independent and our children will be well cared for | • Provide optical and dental programs to assist seniors with the cost of eyeglasses and dental treatment.<br>• Provide information on seniors' government programs and services.<br>• Facilitate supportive living options for seniors, including the Seniors Lodge Program.<br>• Encourage public, private, and non-profit housing sectors to develop supportive housing options that serve identified community needs through approved capital funding |

## SIGNIFICANT OPPORTUNITIES AND CHALLENGES

Seniors constitute about 10 per cent of Alberta's population. Currently, Alberta is home to approximately 357,000 people aged 65 and older, with about 44,000 seniors aged 85 and over. Approximately 142,000 seniors, or 40 per cent, receive the Alberta Seniors Benefit.

Almost 36,000 Albertans with severe disabilities receive benefits from the Assured Income for the Severely Handicapped program. Approximately 9,200 adult Albertans with developmental disabilities receive services from the Persons with Developmental Disabilities program. The Alberta Aids to Daily Living program assists approximately 78,000 Albertans with medical equipment and supplies.

The Ministry is responsible for the oversight of accommodation services in supportive living and long-term care settings. Approximately 21,000 Albertans are accommodated in supportive living, which includes seniors lodges funded through the Ministry, designated assisted living units and other supportive living environments. In addition, approximately 14,000 people live in long-term care facilities, including auxiliary hospitals and nursing homes.

In its strategic planning process, the Ministry recognizes the diversity and breadth of its client population. Identifying trends, challenges, and opportunities is an important part of setting the Ministry's strategic priorities. The following factors have influenced the Ministry in developing its goals, strategies and priorities:

### 1. Aging Population

Over the next decade, the number of Albertans aged 65 and over is projected to grow by more than 40 per cent as the baby boom generation reaches its senior years. This group will likely have different skills, abilities and expectations from current seniors. As Albertans live longer and expect to remain in their communities, demand for financial, housing and community supports to maintain independence will continue to grow. Traditional seniors services may not be well adapted for the needs of this group.

### 2. Work Opportunities

Alberta's strong economic growth and increasingly tight labour market are resulting in difficulties attracting and retaining skilled workers, particularly in the health and human services sectors. At the same time, high employment rates encourage options to retain mature workers, such as flexible work arrangements and pension programs. In addition, there are increased opportunities for underemployed groups, such as persons with disabilities, to participate in the labour market.

### 3. Rising Cost of Living

Many of the Ministry's clients have relatively low or fixed incomes with limited capacity to adjust to the cumulative effect of rising living costs. In recent years, cost of living increases have been disproportionately higher for low-income households compared to higher-income households and the gap in after-tax income between families with the highest and lowest incomes has continued to widen. In addition, increases in items such as rents, utilities, gasoline and insurance impact the operating costs of agencies and organizations funded or regulated by the Ministry to provide services to Albertans.

### 4. Rising Cost of Health Care and Emerging Technologies

New and more effective drugs and advances in medical equipment can significantly improve the quality of people's lives and enhance inclusion in the community. Drugs have been the fastest growing component of Canadian health care costs over the past 25 years. Advances in medical equipment, such as power lifts, power beds, augmentative communication devices and prosthetics have also contributed to rising health costs. While improved equipment may initially be more expensive, it may also assist Albertans to remain at home longer and reduce the need for costly facility care. A challenge for the Ministry is to find ways to make these costly items more affordable for its clients.

### 5. Increasing Complexity of Needs

The needs of the Ministry's clients have grown increasingly complex. Many require a range of coordinated supports and services. Some have multiple and complex challenges, such as physical and developmental disabilities, addictions, mental health issues, challenges related to aging, poverty, difficulty finding appropriate housing, and/or abuse.

### 6. Shift to Community-Based Supports

The shift from facility care to community-based care allows individuals to return home after shorter hospital stays or have their ongoing health and personal care needs met in their community where they may experience greater quality of life. However, this shift currently requires Albertans to absorb a significant portion of the costs of equipment, supplies, drugs, transportation and other items that would have previously been covered by facilities or through the acute care system. This shift requires flexible options for assisting Albertans with some of these costs.

### 7. Changing Environment for Caregivers

The health system and disability service providers are facing a shortage of paid caregivers, partly as a result of Alberta's economic boom which is causing caregivers to move to better paying jobs in other sectors. Fewer paid caregivers results in increased pressure on unpaid caregivers, such as family members or friends. Increased pressure on unpaid caregivers can result in reduced quality of life, increased financial burden, and economic loss from increased absenteeism and stress-related health impacts. At the same time, current parents/guardians are aging and this will significantly impact the way the Ministry provides supports and services.

### 8. Partnerships

There is a growing movement among persons with disabilities and seniors regarding the right to be fully included in all aspects of community life. At the same time, communities are developing greater capacity to include these groups and are becoming increasingly engaged in collaborating with the Ministry on issues and services that impact their citizens. There is an opportunity for the Ministry to work in partnership with individuals and their families, communities, other ministries and other levels of government to reduce barriers and enhance the capacity of all persons with disabilities to succeed. Health and housing partnerships are also essential in the Ministry's efforts to coordinate services, expand continuing care and improve standards. Partnerships with industry and educational institutions may result in improved opportunities for seniors and persons with disabilities to work. Such partnerships provide opportunities to develop service approaches that result in the best possible outcomes for Albertans.

## STRATEGIC PRIORITIES 2007-10

Through the Ministry's review of environmental factors, the strategic priorities described below have been identified. These are in addition to the important ongoing core activities of the Ministry.

### GOVERNMENT PRIORITY – IMPROVE ALBERTANS' QUALITY OF LIFE

1. **Improve supports and services for persons with disabilities through better coordination and integration of programs**

   **Linkage:**
   **Goals 2, 3, 4, 5 and 6**

   Seniors and Community Supports will work with individuals and their families, community organizations, and other levels of government to align and coordinate programs and policies for persons with disabilities. The Ministry will continue to improve the Assured Income for the Severely Handicapped program to ensure it is responsive to client needs and improve the sustainability of the Persons with Developmental Disabilities program. The Ministry will work to coordinate the health-related benefits delivered to its clients. The Ministry will also work with partners to create awareness of barriers and to identify strategies that enable all seniors and persons with disabilities to participate in all aspects of Alberta society.

2. **Bring forward an updated plan to expand long-term care and improve standards of care**

   **Linkage:**
   **Goals 4 and 6**

   Working with Health and Wellness and other stakeholders, Seniors and Community Supports will lead in the promotion of seamless health and accommodation services for seniors and persons with disabilities through an updated plan to expand continuing care and improve standards of care. With a focus on quality, the Ministry will license adult supportive living facilities and promote accreditation. The Ministry will also introduce training programs for operators that provide accommodation services in supportive living and long-term care settings.

3. **Establish a Demographic Planning Commission to provide analysis and proposals to prepare for the needs of an aging population and ensure facilities and supports are available to seniors**

   **Linkage:**
   **Goals 1, 3, 4, 5 and 6**

   A planning commission will be established to support the Ministry's efforts in planning and preparing for an aging population. As part of this strategic priority, Seniors and Community Supports will improve its capacity to identify and forecast the needs of future seniors. This will contribute to the Ministry's ability to develop strategies that encourage future seniors to plan for self-reliance and independence.

4. **Develop and introduce measures to benchmark improvements in quality of life for all Albertans**

   **Linkage:**
   **Goals 1 and 6**

   The Ministry will explore and assess approaches and potential measures to benchmark improvements in quality of life for Albertans. The Ministry will seek input from across the Government of Alberta, consult with stakeholders, and review best practices of provincial, national and international jurisdictions and the academic community. The development of quality of life measures will allow government to focus on key areas of interest or concern and to report back to Albertans on progress.

# CORE BUSINESSES, GOALS, STRATEGIES & PERFORMANCE MEASURES

## Core Business One: Provide targeted financial assistance

### GOAL ONE 1 Seniors in need have access to financial assistance that will enable a secure and dignified way of living

**What it means** Income is one of the major determinants of health and well-being. Income-based programs help seniors who are in need of assistance to meet their basic living needs, maintain their independence, and continue as participating and contributing members of the community.

The Alberta Seniors Benefit is an income-based program that provides monthly cash payments to eligible lower-income seniors to improve their financial situations. The Special Needs Assistance for Seniors program provides a lump-sum cash payment to eligible seniors who demonstrate they are experiencing financial difficulties in meeting one-time, extraordinary expenses above their basic living requirements.

**Strategies**

1.1 Provide a simplified, single point of entry for accessing income-based seniors' programs.

1.2 Forecast, plan and model seniors' policies and programs to identify potential improvements to income-based seniors' programs that are responsive to changing needs.

1.3 Develop consistent, accurate and client-focused information on programs and services for seniors.

| Performance Measures | Last Actual (year) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 1.a Difference between Alberta seniors' average total income and the national average for seniors' average total income | +11.1% (2004) | Exceed the national average | Exceed the national average | Exceed the national average |
| 1.b Assessment time in working days for Special Needs Assistance for Seniors program applications | 15 days (2005-06) | 11 days | 10 days | 9 days |
| 1.c Satisfaction with information services provided by the Seniors Information Line | 87% (2005-06) | 93% | 93% | 93% |

GOAL TWO 2

## Albertans with a severe and permanent disability have access to financial assistance that enables them to become as independent as possible

**What it means** Income is one of the major determinants of health and well-being, but some Albertans with severe and permanent disabilities may require assistance to meet their basic needs, such as rent, food and clothing. Through the Assured Income for the Severely Handicapped (AISH) program, the Ministry provides a monthly living allowance to help clients meet their basic needs and to become as independent as possible. In addition, personal benefits help with extra monthly or one-time expenses incurred by AISH clients. Together with other supports, this assistance helps AISH clients contribute to and fully participate in the community.

**Strategies**

2.1 Identify and implement program improvements to better respond to client needs.

2.2 Develop and implement a new information system to facilitate planning and implementation of program changes to enhance responsiveness to client needs.

**Performance Measures**

New measure: Average number of working days between completed applications and decision for AISH applications.

New measure: Percentage of AISH clients who agree that personal benefits help them live more independently than if they were unable to access these benefits.

## Core Business Two: Plan, provide and coordinate supports and services for living in the community

GOAL THREE 3

## Seniors and persons with disabilities have appropriate supportive living options

**What it means** Albertans value their independence and want to have choice in how and where they live, whenever possible. Housing needs can vary at different stages in people's lives. For example, disabilities, illness and conditions related to aging may require different accommodations and supports. The Ministry works with communities to foster the development of housing options that are appropriate for changing needs and life stages, with the goal of assisting seniors and persons with disabilities to live as independently as possible.

The continuing care system is comprised of three streams: home living, supportive living and facility living (long-term care). To support the shift to supportive living from long-term care settings, the Ministry encourages the development of affordable supportive living projects for seniors and persons with disabilities through approved capital funding.

The Seniors Self-Contained Housing Program provides apartment accommodation for independent low-income seniors who cannot afford private sector accommodation, while the Seniors Lodge Program provides appropriate housing for functionally independent seniors, with the addition of basic services such as housekeeping and meals.

**Strategies**

3.1 Provide approved capital funding and develop partnerships to increase the supply of sustainable and affordable supportive living options.

3.2 Work within the Ministry, with other ministries, and with stakeholders to promote effective planning to address changing housing and service needs.

3.3 Focus resources on the effective use and maintenance of provincially owned seniors apartments and supportive living accommodation.

3.4 Review the Ministry's approach to capital contributions to facilitate affordable supportive living development.

| Performance Measure | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 3.a Number of affordable supportive living units for aging in place developed with support from provincial funding | 1,640 | 166 | 100 | n/a |

**Note:**
n/a Funding for 2009-10 has not been allocated.

GOAL FOUR

## 4 The Ministry's health-related and disability supports and services enhance independence and well-being

**What it means** Health-related supports and services enhance well-being by enabling Ministry clients to maintain their independence in their homes or home-like settings. To support this goal, the Ministry provides a number of programs and benefits, including the Alberta Aids to Daily Living program, health-related benefits through the Assured Income for the Severely Handicapped program, and dental and optical programs for seniors.

The Alberta Aids to Daily Living program helps Albertans of all ages who have a long-term disability, chronic illness or terminal illness maintain their independence through the provision of hearing and communication devices, medical/surgical supplies, mobility equipment, prosthetics and orthotics, custom footwear and seating, and respiratory equipment.

For seniors, the Ministry's dental and optical programs assist with the cost of dental treatment and eyeglasses. For Assured Income for the Severely Handicapped clients, health-related benefits include premium-free Alberta Health Care Insurance, eye and dental care, emergency ambulance services, prescription drugs, essential diabetic supplies, and exemption from Alberta Aids to Daily Living co-pay fees.

**Strategies**

4.1 Collaborate with internal and external partners to assist clients in accessing appropriate health-related services.

4.2 Evaluate health-related benefits provided to Assured Income for the Severely Handicapped clients to ensure they are responsive to client needs and provided in a cost-effective manner.

4.3 Continue pilot program to provide speech generating communication devices for persons with communication difficulties.

| Performance Measure | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 4.a Percentage of AADL clients who agreed that AADL helped them be more independent in their homes or residences | 90% | 90% | n/a | 90% |

**Note:**
n/a Survey conducted every two years.

GOAL FIVE

## 5 Seniors and persons with disabilities live in supportive, barrier-free communities and have access to the necessary supports and services to enhance independence

**What it means** Participating in the community means being able to work, volunteer, take advantage of educational and recreational opportunities, and engage in other chosen activities. Communities play a key role in creating tolerant, accessible and supportive environments. Albertans benefit when all seniors and persons with disabilities are valued for their contributions and fully participate in the social and economic life of the province. The Ministry works with partners to create awareness of barriers and to identify strategies to enable all seniors and persons with disabilities to participate in every aspect of Alberta society.

The Ministry works in a number of ways to enhance the ability of persons with disabilities and seniors to participate in community life. The Persons with Developmental Disabilities Community Boards provide living, employment and community access supports for adults with developmental disabilities. Albertans with disabilities may also receive community support services through the Alberta Brain Injury Initiative and the Program Development for Persons with Disabilities Initiative. The Assured Income for the Severely Handicapped program helps clients access community supports by providing clients with information and referrals to community programs. The Office of the Public Guardian provides decision-making services for dependent adults. Guardians encourage dependent adults to contribute to their own care and life decisions whenever possible. The Ministry also supports the work of the Premier's Council on the Status of Persons with Disabilities in listening to and communicating about issues raised by the disability community.

Family and other unpaid caregivers play a crucial role in assisting seniors and persons with disabilities. The Ministry works in partnership with community organizations and other government ministries to support these caregivers.

**Strategies**

5.1 Work with individuals and their families, community organizations and other government partners to improve supports and services for the Ministry's clients.

5.2 Develop a provincial funding framework for Persons with Developmental Disabilities funded services and review and strengthen monitoring mechanisms.

5.3 Promote the continued development of leadership and governance capacity of Persons with Developmental Disabilities Community Boards.

5.4 Implement substitute decision-making services that encourage adults with mental capacity limitations to participate in decisions and maintain their autonomy.

5.5 Strengthen and promote long-term connections between persons with disabilities and the community.

5.6 Deliver public education and other services to encourage Albertans to plan for the future through personal directives.

| Performance Measures | Last Actual (year) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 5.a Satisfaction of families/guardians of adults with developmental disabilities with PDD-funded services | 85.8%<br>(2004-05) | n/a | 89% | n/a |
| 5.b Percentage of persons with brain injury and/or other disabilities and their families/caregivers reporting they feel supported by Community Support Services: | | | | |
| • Persons with brain injury and/or other disabilities | 89%<br>(2005-06) | 90% | 91% | 92% |
| • Families/caregivers | 75%<br>(2005-06) | 76% | 77% | 78% |
| 5.c Satisfaction with supports and decision-making services provided by the Office of the Public Guardian of: | | | | |
| • Private Guardians | 92%<br>(2005-06) | 90% | n/a | 90% |
| • Service providers | 87%<br>(2005-06) | 90% | n/a | 90% |
| • Dependent adults | 88%<br>(2005-06) | 90% | n/a | 90% |

**Note:**

n/a Survey conducted every two years.

## GOAL SIX 6 Safeguards for seniors and persons with disabilities are provided

**What it means** A safe and secure environment, where people are free from abuse and neglect, is necessary for well-being and quality of life. The Ministry has a strong interest in addressing the safety and security needs of adults who may be vulnerable to abuse and neglect, including persons with disabilities, seniors, and persons who require the assistance of a guardian to make personal decisions.

The Ministry is responsible for the implementation, monitoring and enforcement of accommodation standards for supportive living and long-term care facilities. Through the *Protection for Persons in Care Act*, the Ministry investigates and responds to complaints of abuse of people receiving government-funded care services. The *Dependent Adults Act* and the *Personal Directives Act* include protective functions that enhance decision-making and prevent abuse of vulnerable adults. In addition, the Persons with Developmental Disabilities program has an Abuse Prevention and Response Protocol for addressing abuse of adults with developmental disabilities. The Ministry also works with other ministries to prevent and address abuse of seniors in their families and communities.

**Strategies**

6.1 Implement accommodation standards for supportive living and long-term care settings; implement licensing, monitoring and enforcement mechanisms; and develop a public information and reporting system.

6.2 Report on government's progress in responding to approved recommendations to expand and improve Alberta's continuing care system.

6.3 Improve and coordinate policies and programs to strengthen the Ministry's role in protecting adult Albertans.

6.4 Enhance the current role of the Office of the Public Guardian with private guardians including: providing support throughout the term of a court order, consultation and dispute resolution, monitoring and investigation of complaints and bringing forward urgent matters to the attention of the courts in a proactive way.

| Performance Measure | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 6.a Percentage of dependent adults with private guardians[1] | 82% | 80% or higher | 80% or higher | 80% or higher |

**Note:**

1 Private guardianship is preferred over public guardianship where possible and appropriate. Historical data indicates that the appropriate ratio of private to public guardianship is approximately 80:20.

New measure: Percentage of persons involved in Protection for Persons in Care investigations satisfied with the investigation process.

New measure under development: Quality of accommodation services provided in supportive living and long-term care facilities, as indicated by the percentage of facilities reviewed that meet or exceed provincial standards.

# EXPENSE BY CORE BUSINESS

(thousands of dollars)

| | Comparable | | | | | |
|---|---|---|---|---|---|---|
| | 2005-06 | 2006-07 | 2006-07 | 2007-08 | 2008-09 | 2009-10 |
| | Actual | Budget | Forecast | Estimate | Target | Target |
| Provide targeted financial assistance | 627,834 | 724,409 | 687,197 | 784,722 | 812,477 | 820,422 |
| Plan, provide and coordinate supports and services for living in the community | 934,250 | 912,047 | 919,837 | 979,827 | 987,879 | 1,002,298 |
| **MINISTRY EXPENSE** | 1,562,084 | 1,636,456 | 1,607,034 | 1,764,549 | 1,800,356 | 1,822,720 |

# MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

| | Comparable | | | | | |
|---|---|---|---|---|---|---|
| | 2005-06 | 2006-07 | 2006-07 | 2007-08 | 2008-09 | 2009-10 |
| | Actual | Budget | Forecast | Estimate | Target | Target |
| **REVENUE** | | | | | | |
| Transfers from Government of Canada | 171,775 | 193,410 | 157,348 | 274,261 | 268,583 | 266,992 |
| Investment Income | 148 | 181 | 101 | - | - | - |
| Premiums, Fees and Licences | 1,442 | 1,140 | 1,140 | 1,140 | 1,140 | 1,140 |
| Other Revenue | 6,073 | 3,498 | 3,327 | 3,265 | 3,388 | 3,388 |
| **MINISTRY REVENUE** | 179,438 | 198,229 | 161,916 | 278,666 | 273,111 | 271,520 |
| **EXPENSE** | | | | | | |
| **Program** | | | | | | |
| Assured Income for the Severely Handicapped | 488,942 | 574,638 | 545,043 | 644,038 | 657,898 | 661,598 |
| Support to Persons with Developmental Disabilities | 492,116 | 508,605 | 508,605 | 526,255 | 540,755 | 564,855 |
| Alberta Seniors Benefit | 253,076 | 274,478 | 266,978 | 285,353 | 299,253 | 303,553 |
| Seniors Dental and Optical Assistance | 63,681 | 60,309 | 60,309 | 66,878 | 69,828 | 70,328 |
| Special Needs Assistance for Seniors | 21,120 | 24,254 | 24,254 | 26,514 | 26,514 | 26,514 |
| School Property Tax Assistance | 2,506 | 9,000 | 9,000 | 11,000 | 16,000 | 16,000 |
| Seniors Lodge Assistance | 26,357 | 30,650 | 30,650 | 35,150 | 36,150 | 36,150 |
| Supportive Living and Long Term Care | 2,091 | 5,364 | 3,864 | 23,686 | 5,655 | 5,655 |
| Support to Providers of Seniors Housing | 7,944 | 3,057 | 3,057 | 3,057 | 3,057 | 3,057 |
| Alberta Aids to Daily Living | 86,581 | 89,613 | 89,613 | 92,354 | 97,654 | 97,654 |
| Community Support Programs | 11,437 | 17,810 | 11,810 | 18,816 | 20,316 | 20,316 |
| Public Guardian Services | 6,103 | 6,710 | 6,710 | 7,946 | 8,946 | 8,946 |
| Ministry Support Services | 7,112 | 7,783 | 7,783 | 8,098 | 7,968 | 7,909 |
| Lodge Renovations and Repairs | 14,999 | - | - | - | - | - |
| Rural Affordable Supportive Living | 77,049 | 24,000 | 24,000 | - | - | - |
| Affordable Housing - Supportive Living | - | - | 15,173 | 15,219 | 10,177 | - |
| Valuation Adjustments and Other Provisions | 970 | 185 | 185 | 185 | 185 | 185 |
| **MINISTRY EXPENSE** | 1,562,084 | 1,636,456 | 1,607,034 | 1,764,549 | 1,800,356 | 1,822,720 |
| Gain (Loss) on Disposal of Capital Assets | (9) | - | - | - | - | - |
| **NET OPERATING RESULT** | (1,382,655) | (1,438,227) | (1,445,118) | (1,485,883) | (1,527,245) | (1,551,200) |

# CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

| | Comparable | | | | | |
|---|---|---|---|---|---|---|
| | 2005-06 Actual | 2006-07 Budget | 2006-07 Forecast | 2007-08 Estimate | 2008-09 Target | 2009-10 Target |
| Ministry Revenue | 179,438 | 198,229 | 161,916 | 278,666 | 273,111 | 271,520 |
| *Inter-ministry consolidation adjustments* | - | - | - | - | - | - |
| **Consolidated Revenue** | 179,438 | 198,229 | 161,916 | 278,666 | 273,111 | 271,520 |
| Ministry Expense | 1,562,084 | 1,636,456 | 1,607,034 | 1,764,549 | 1,800,356 | 1,822,720 |
| *Inter-ministry consolidation adjustments* | - | - | - | - | - | - |
| **Consolidated Expense** | **1,562,084** | **1,636,456** | **1,607,034** | **1,764,549** | **1,800,356** | **1,822,720** |
| Gain (Loss) on Disposal of Capital Assets | (9) | - | - | - | - | - |
| **CONSOLIDATED NET OPERATING RESULT** | (1,382,655) | (1,438,227) | (1,445,118) | (1,485,883) | (1,527,245) | (1,551,200) |

# Service Alberta

BUSINESS PLAN 2007-10

## ACCOUNTABILITY STATEMENT

The business plan for the three years commencing April 1, 2007 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as of March 26, 2007 with material economic or fiscal implications of which I am aware have been considered in preparing the business plan.

The Ministry's priorities outlined in the business plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this business plan.

Lloyd Snelgrove, *Minister of Service Alberta*
March 30, 2007

## THE MINISTRY

Service Alberta is committed to delivering high quality coordinated business, financial, information and technology services to government ministries as well as a diverse range of services that touch the daily lives of all Albertans. This integrated approach, based on a broad corporate view of the government as one entity, enables government to act seamlessly and facilitate easy access to programs and services for ministries and all citizens.

When Albertans register a car, buy a house, register a birth, use a video-conference link to a training session in another city, start a business, explore energy purchasing options or look for information about the province's consumer protection legislation, they are accessing some of the many services, products and information offered by the Ministry.

Service Alberta has a unique role in providing integrated and shared services to support ministries across government. The Ministry demonstrates best practices and provides excellence in collaborative service delivery by facilitating effective ministry partnerships in areas such as business, financial, information and technology services, personnel administration, government vehicles and air transportation. The Ministry also provides support and guidance to both government and private entities on access and privacy legislation and on information management.

While the Ministry is comprised of the Department of Service Alberta and has no other budgetary reporting entities, it does include the Personnel Administration Office. The Personnel Administration Office, as part of the Department of Service Alberta, leads and collaborates with ministries to develop innovative human resource management policies and practices to attract, engage and develop employees to achieve government goals and priorities.

## VISION

*One government, one employer, and one enterprise driving innovation and excellence in service delivery.*

## MISSION

Through building and maintaining trusted relationships with clients and partners, Service Alberta provides responsive, standardized and efficient shared services across government while delivering convenient, secure and timely access to programs and services for all Albertans.

## Our Values: The values of the Alberta Public Service

| | |
|---|---|
| **Respect** | We foster an environment in which each individual is valued and heard. |
| **Accountability** | We are responsible for our actions and for contributing to the effectiveness of the Alberta Public Service. |
| **Integrity** | We behave ethically and are open, honest and fair. |
| **Excellence** | We use innovation and continuous improvement to achieve excellence. |

## LINK TO THE GOVERNMENT OF ALBERTA STRATEGIC BUSINESS PLAN

| Government of Alberta Goal | Service Alberta |
|---|---|
| **Goal 1**: Alberta will have a prosperous economy | • Service Alberta supports sustainable economic growth as an essential factor in maintaining and improving Albertans' overall quality of life. The Ministry sustains the momentum of Alberta's economy by:<br>• facilitating over 17.5 million registry transactions for Albertans; and<br>• promoting consumer confidence by reviewing and enforcing marketplace legislation to ensure it remains current and responsive. |
| **Goal 4**: Alberta will have a financially stable, open and accountable government and maintain its strong position nationally and internationally | • The Ministry supports this Government of Alberta goal by:<br>• developing a corporate government-wide approach to information management and information technology;<br>• assessing and prioritizing opportunities to streamline and gain efficiencies for the business of government;<br>• providing the shared business, financial and technology services that all government ministries require, enabling them to focus on the delivery of programs and services to Albertans;<br>• maintaining an effective personnel administration office and providing strategic human resource management support services for all ministries; and |

| | |
|---|---|
| | - managing information and records based on the Government of Alberta Information Management Framework. |
| **Goal 7**: Alberta will be a safe place to live, work and raise families | - Service Alberta works directly to achieve this goal by promoting the increased privacy and security of personal and other information entrusted to government. |

## SIGNIFICANT OPPORTUNITIES AND CHALLENGES

In preparing this business plan, the Ministry of Service Alberta considered the implications of a number of external and internal challenges and opportunities that could influence the Ministry's ability to implement strategies and to achieve its mission and goals. Through this business plan we intend to address these challenges and build on the opportunities for success.

**Meeting Demands Posed by Rapid Growth:**
As a result of a prosperous economy and the resulting labour shortages, intense demands for infrastructure, and a growing population, the Government of Alberta continues to face high expectations for increasingly efficient and effective ways of delivering programs and services. Service Alberta plays an important role in working with ministry partners in the development and delivery of initiatives that will help enhance service delivery and promote easy access to programs and services by Albertans.

**Technology Changes:**
Rapid changes in technology will continue to impact the global economy through increasing connectivity, providing some new jobs while eliminating others, establishing access to new markets, and raising security and privacy concerns. Within Alberta new technologies provide opportunities, such as SuperNet, to bridge the gap between rural and urban, and to efficiently deliver key services such as health care and learning across vast distances. Through the Information and Communications Technology (ICT) Service Coordination Initiative, the renewal of key systems (e.g. Land Titles and Motor Vehicle registries), innovative use of information and communication technologies, a corporate approach to information management, business process re-engineering and process standardization, ministries will be able to enhance the delivery of programs and services to Albertans and improve effectiveness and efficiency within the Government of Alberta.

**Partnerships:**
With increasing public expectations for services from government, coupled with the desire for fiscal responsibility, collaboration with other ministries in areas such as administration, finance, information technology, information management, payroll and benefits and procurement services is essential. Working with ministry partners to increase clarity in roles, responsibilities and resource commitments, while establishing best practices and standards in pursuit of service delivery innovations, will enable the Government of Alberta to better serve Albertans.

**Information Security and Privacy:**
Heightened awareness of security and privacy issues has led to an increase in Albertans' expectations of government to safeguard their personal information. Service Alberta plays a critical role in ensuring that personal information stored by or transferred to the government is protected using reliable and proven technologies. The Ministry ensures that provincial privacy legislation is kept current. In addition, the Ministry collaborates with private sector organizations on the security of their systems to ensure document handling processes follow the *Personal Information Protection Act*, the province's private sector privacy legislation.

## STRATEGIC PRIORITIES 2007-10

The strategic priorities outlined below have been identified through the Ministry's review of environmental factors, challenges and opportunities. These are in addition to the ongoing core activities of the Ministry.

### GOVERNMENT PRIORITY – GOVERN WITH INTEGRITY AND TRANSPARENCY

1. **Innovation in Service Delivery to Albertans Through a Variety of Mechanisms (in-person, by phone or through the Internet)**

   **Linkage: Goals 1, 2 and 5**

   The Ministry is continually seeking excellence in service delivery by adopting innovative approaches to serving Albertans in an accessible, timely and efficient manner. As the Alberta economy continues to thrive, the increase in demand for information and services from government is inevitable. Service Alberta will continue to engage ministry partners to obtain advice and continuously improve the quality and range of services provided. For example, the Ministry is encouraging and supporting the use of electronic business initiatives to make it easier for Albertans to access government. Service Alberta is working with other ministries to simplify and standardize electronic business processes, and to provide a single point of access to government for customers, vendors, partners, citizens and employees. Online registrations and licensing are cases where services have been developed to use the potential of the electronic business environment.

2. **Accelerate the Implementation of a Corporate Approach to Information Management and Information Technology**

   **Linkage: Goals 1, 3, 4 and 5**

   Initiatives under this priority will assist government in taking a strategic, enterprise-wide approach to managing information assets and information technology, thereby increasing the efficiency and effectiveness of service delivery to Albertans. Citizens will gain further benefits through enhanced integrity and transparency of the information each ministry provides to Albertans.

3. **A One-Government Approach**

   **Linkage: Goals 1, 3 and 5**

   Service Alberta is responding to the opportunities and challenges presented by the rapid growth in the province by adopting a broad, corporate view of the government as one entity. The Ministry is strengthening collaboration between ministries and streamlining processes and standards so that government operates seamlessly and can more efficiently deliver programs and services to Albertans from a citizen-focused perspective. By providing leadership in implementing standard tools and approaches to support the delivery of services to citizens, the Ministry will help transform the manner in which the government delivers services to citizens. Government ministries focus on their core businesses, while Service Alberta focuses on the enabling technology.

### GOVERNMENT PRIORITY – PROVIDE SAFE AND SECURE COMMUNITIES

4. **Ensure Information is Protected**

   **Linkage: Goal 4**

   Service Alberta will lead the government-wide effort to ensure the privacy and security of personal and other information entrusted to the government. The Ministry is responsible for administering privacy legislation which ensures information protection. With the increasing number of online services, there is a growing need to enhance security and protection of personal information collected by the Government of Alberta by improving business practices. This need has resulted in a number of initiatives that include the development of the Alberta Secure Access Service, which works to achieve efficient and effective protection of personal information.

# CORE BUSINESSES, GOALS, STRATEGIES & PERFORMANCE MEASURES

## Core Businesses

1. **Services to Albertans**: Registry and consumer services provided to Albertans include registering a car, house or starting a business, freedom of information and privacy, and consumer protection.
2. **Services to Government**: Corporate and shared services provided to government ministries in a standardized, efficient and effective manner.
3. **Human Resource Management**: Development and promotion of effective human resource management.

## Core Business One: Services to Albertans

### GOAL ONE 1 Convenient and efficient services

**What it means** This goal reflects our commitment to provide secure, accessible, accurate and competitively priced services to Albertans.

The Ministry processes more than 17.5 million transactions each year on behalf of Alberta consumers and businesses. These transactions occur through government offices, online access, and a province-wide network of more than 220 private registry agents. The maintenance and timely renewal of registry systems is critical to ensure that the Ministry can meet customer expectations and continue to provide quality information and services. To promote integrity, resources are directed to ongoing security improvements as well as investigations of inappropriate access. The Ministry is also responsible for pursuing continuous improvements relating to the efficiency and quality of service provided.

Service Alberta enables Albertans to access government information and services in a manner of their choice. Specific objectives are to provide Albertans with accessible, integrated and quality services from the Government of Alberta. Full implementation of a one-window approach to government will allow Albertans to easily find and access the information and services they need. Albertans will receive seamless, secure and consistent service across all delivery channels. Albertans' service needs and expectations will be addressed in a positive manner, based on choice, respect and timeliness.

**Strategies**

1.1 Develop a plan for innovative approaches to improve service delivery to Albertans through a variety of mechanisms (in person, by phone or through the internet).

1.2 Renew the Ministry's registry systems to ensure business goals are supported effectively.

1.3 Investigate and implement innovative initiatives to support and improve land titles service delivery.

1.4 Provide support to the traffic safety program through education, advocacy, and up-to-date information on drivers in the Motor Vehicle Registry System.

1.5 Undertake initiatives to validate and secure information held within the Ministry's registries.

1.6 Enhance compliance and accountability mechanisms that promote excellence in private agent service delivery.

1.7 Participate in cross-jurisdictional and inter-ministry initiatives to address identity related issues and propose amendments to legislation, policies and procedures where appropriate.

1.8 Implement a province-wide fraudulent document recognition program to enhance capacity to identify forged and altered documents.

1.9 Collaborate with other ministries to develop a business and service delivery model that will position Service Alberta to deliver more services on behalf of government.

1.10 Work with ministries to enhance the content and functionality of the Citizen Services Integration website and the services offered through the Citizen Services Integration Call Centre.

1.11 Implement initiatives to meet Albertans' changing expectations regarding access to government services.

| Performance Measures | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 1.a Percentage of clients surveyed who are "satisfied overall" with the quality of service received through: | | | | |
| • Ministry Contact Centre (registry-related) | 80% | 80% | 80% | 80% |
| • Registry Agents | 88% | 85% | 85% | 85% |
| 1.b Percentage of clients surveyed who are "satisfied overall" with services provided by the Land Titles Registry | 72%[1] | 60% | 70% | 75% |
| 1.c Comparison of Alberta's fees to other jurisdictions to: | Compared to National Average | | | |
| • Renew registration on a Dodge Caravan | 27% below | Maintain fees below the national average | | |
| • Renew a driver's licence | 29% below | | | |
| • Register a $150,000 house with a $140,000 mortgage | 82% below | | | |
| • Collection agency licence | 33% below | | | |
| • Direct selling licence | 15% below | | | |
| 1.d Percentage of Albertans who are satisfied with access to Government of Alberta services and information | 75% | 80% | 80% | 80% |
| 1.e Percentage of Albertans who are satisfied with the timeliness of Government of Alberta services and information | 74% | 72% | 80% | 80% |

**Note:**

[1] While the last actual is 72 per cent, interim results for 2006-07 show satisfaction at 52 per cent.

GOAL TWO

## 2 Informed consumers and businesses and a high standard of marketplace conduct

**What it means** An effective legislative framework is essential in supporting a dynamic and growing marketplace in Alberta. The Ministry's strong legislation, coupled with comprehensive business licensing requirements, contributes to a prosperous economy where consumers and businesses can be confident they are conducting business transactions in a fair environment. Marketplace awareness initiatives are targeted to both buyers and sellers with a focus on informing them of their rights and obligations and empowering them to help themselves. The Ministry's Contact Centre responds to inquiries and complaints. In addition, business trends and marketplace practices are reviewed proactively through research, inspections of regulated businesses and trust accounts, monitoring of complaints and targeted investigations. The Ministry represents the interests of residential, farm and small business consumers in Alberta's restructured utility markets through regulatory proceedings and mediates the resolution of consumer concerns on utility issues.

**Strategies**

2.1 Modernize consumer legislation – such as the *Cemeteries Act*, *Real Estate Act* and *Funeral Services Act*. Develop regulations under the *Fair Trading Act* – to address marketplace issues for Alberta's home inspection industry, payday lenders, timeshares/travel clubs, gift cards and the household moving industry.

2.2 Capitalize on international, national, provincial and delegated regulatory authority partnerships to undertake cooperative enforcement and policy development, and to enhance awareness of consumer protection initiatives.

2.3 Implement innovative consumer awareness initiatives that promote ethical business practices and enable consumers to make informed and responsible decisions. Initiatives include the distribution of an identity theft video and the targeting of resources to address the needs of vulnerable consumer groups, including those with limited language skills.

2.4 Dependent upon an assenting review of the one year pilot project, implement an expanded alternative dispute resolution service which handles landlord and tenant disputes without resorting to the courts.

2.5 Enhance the consumer knowledge program to enable Albertans to make informed decisions in their use and purchase of energy.

2.6 Partner with other government and non-government organizations to explore, promote and implement new energy conservation and management programs that benefit residential, farm or small business consumers.

2.7 Review the scope, mandate, structure and effectiveness of the Office of the Utilities Consumer Advocate by exploring synergies with other consumer protection initiatives and organizations both within and outside Service Alberta.

| Performance Measures | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 2.a Percentage of Ministry Contact Centre clients surveyed (consumer-related) who are "satisfied overall" with the quality of service received | 80% | 80% | 80% | 80% |
| 2.b Percentage of clients surveyed who are likely to recommend field investigative services to a friend | 87% | 85% | 85% | 85% |
| 2.c Percentage of clients surveyed who are satisfied with the quality of tipsheet information | 85%[1] | 80% | 80% | 80% |

**Note:**

[1] While the last actual is 85 per cent, interim results for 2006-07 show satisfaction at 78 per cent.

## Core Business Two: Services to Government

GOAL THREE 3

### Improve the ability of ministries to deliver government programs and services

**What it means** Service Alberta is committed to drive innovation and streamline processes across government to provide seamless, easily accessible and secure program and service delivery to Albertans. Service Alberta works collaboratively with other ministries across government to find better ways to serve the public.

**Strategies**

3.1 Accelerate the implementation of a corporate approach to information management and information technology through the Information and Services Strategy.

3.2 Work with other ministries to continue Alberta SuperNet progress by enabling high-speed broadband availability to schools, healthcare facilities, libraries and government facilities across Alberta.

3.3 Further implement the Information Management Framework, providing clarification and guidance related to information and communication technology standards and best practices.

3.4 Work with ministries to implement the Information and Services Strategy for the Government of Alberta which will improve the value from the use of technology to support the delivery of programs.

3.5 Further implement the Alberta Secure Access Service initiative to manage a single standardized environment to allow government employees, stakeholders, and Albertans secure access to information.

3.6 Continue to implement the Information and Communications Technology Service Coordination Initiative agreed plan that is driving towards a common Government of Alberta approach in the delivery of shared information and communications technology infrastructure services.

3.7 Develop a policy to provide direction for Alberta's regulatory environment to maintain a competitive advantage in the global economy while protecting the environment, and public health and safety.

3.8 Work with internal government councils, committees and the private sector to identify, assess and manage innovative initiatives to streamline and gain efficiencies in the business of government.

3.9 Improve access to Alberta's legislation through services provided to the public and legal professionals by the Queen's Printer.

3.10 Consult with stakeholders from across the province and other ministries to identify regulatory burden and administrative policies that limit growth for Albertans, small business and overall economic competitiveness.

| **Performance Measures** | **Last Actual (Year)** | **Target 2007-08** | **Target 2008-09** | **Target 2009-10** |
|---|---|---|---|---|
| 3.a Number of computer applications that use the Alberta Secure Access Service[1] | 12<br>(2005-06) | 25 | 35 | 50 |
| 3.b Percentage of government employees that use the GoA Domain[2] | 20%<br>(2004-05) | 75% | 100% | 100% |
| 3.c Number of organizations that use Alberta SuperNet for Internet Protocol Video-conferencing[3] | 36<br>(2005-06) | 110 | 135 | 155 |
| 3.d Number of adoptions by ministries of service bundles established by the Information and Communications Technology Service Coordination Initiative[4] | 0<br>(2006-07) | 13 | 35 | 45 |

**Notes:**

1 Applications refer to computer applications that provide access to controlled or private information. The Alberta Secure Access Service authenticates users through a single log-in.

2 The Government of Alberta Domain refers to employees who completely or partially receive common information and communication technology services including: messaging services, distributed file and print services, customer support services, and infrastructure management (the physical infrastructure, maintenance and support of servers, networks, desktop computers and systems software).

3 Organizations refer to Government of Alberta ministries, learning jurisdictions, health authorities and library associations. Internet protocol video-conferencing enables video-conferencing using internet standards.

4 Each time that a ministry adopts a service bundle it counts as one adoption. Information and Communications Technology service coordination bundles include service desk, mainframe, utilities, and work site support bundles.

GOAL FOUR **4**

## Effective programs and services for information management, access to information and protection of privacy

**What it means** Service Alberta guides ministries in delivering their programs by providing a corporate framework for information management, access to information and protection of privacy. Specifically, the Ministry ensures that access and privacy legislation is effective and that support is provided to Government of Alberta entities, local public bodies and private-sector organizations that administer the legislation. These activities help protect Albertans' privacy and ensure they have appropriate access to information. Other core information management services include administering the *Records Management Regulation*. Effective information management is promoted through the provision of advice, information resources, and training.

**Strategies**

4.1 Provide leadership to all ministries for protecting personal information of Albertans held by government through the development of best practices and educational materials.

4.2 Work with the Provincial Archives of Alberta to develop a comprehensive digital preservation strategy to address the permanent retention of information for future generations.

4.3 Conduct a review of the *Records Management Regulation* to establish the necessary requirements for the effective management of all information held across the Government of Alberta.

4.4 Establish consistent processes for data access and release of information from Registries and enhance the oversight of account holders who search the Motor Vehicles registry.

4.5 Provide technical support to legislative members of the Select Special *Personal Information Protection Act* Review Committee and work with other jurisdictions on reviews of private sector privacy legislation.

| Performance Measures | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 4.a Percentage of *Freedom of Information and Protection of Privacy Act* requests completed by government public bodies within 60 days or less | 94% | 90%+ | 90%+ | 90%+ |
| 4.b Percentage of *Freedom of Information and Protection of Privacy Act* requests handled without complaint to the Information and Privacy Commissioner | 98% | 90%+ | 90%+ | 90%+ |

## GOAL FIVE 5 Excellence in delivering shared services to ministries and partners

**What it means** Service Alberta has a unique role in providing integrated and shared services to support ministries across government. Although the business of each ministry is different, the support functions are similar, making it possible to share these services and have one ministry provide these services across government. The Ministry works collaboratively to facilitate ministry partnerships in areas including business, financial and technology services.

**Strategies**

5.1 Advance the Service Assurance Project to ensure that quality, effective, and efficient services are consolidated and delivered to all ministry partners to meet their business needs.

5.2 Through the Procurement Re-engineering Initiative, work to further improve efficiency, focus on customer needs and optimize how the government obtains goods and services, including leading the development of cross-government contracting standards for services.

5.3 Establish initiatives for shared solutions that build on the government's investment in its financial, human resources and procurement system, the Alberta Government Integrated Management Information System (IMAGIS).

5.4 Improve employee capacity to provide effective service that meets clients' needs through increased knowledge, skills and tools.

5.5 Refine, integrate and implement the delivery of shared services with the intent of becoming the service provider of choice within the Government of Alberta.

| Performance Measure | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 5.a Percentage of invoices paid electronically[1] | 66% | 75% | 80% | 85% |

**Note:**

[1] Electronically refers to invoices paid using Electronic Payment System, Exclaim, Procurement Cards and IMAGIS Recurring Vouchers.

A new methodology has been adopted for the performance measure: satisfaction of ministries with the overall quality of common administrative services provided. The last actual based on the previous methodology was 76 per cent (2005-06). Once results based on the revised methodology are available, targets will be set.

# PERSONNEL ADMINISTRATION OFFICE

## BUSINESS PLAN 2007-10

The Personnel Administration Office, as part of the Ministry of Service Alberta, is the corporate human resources arm of the Government of Alberta. The Personnel Administration Office collaborates with other ministries to develop government-wide human resource strategies and policies so public service employees are inspired to do their best work on behalf of Albertans.

## VISION

*Alberta's Public Service – Proudly working together to build a stronger province for current and future generations.*

## MISSION

Lead and collaborate with ministries to develop innovative human resource management policies and practices to attract, engage and develop employees to achieve government goals and priorities.

**Our Values:** **Respect, Accountability, Integrity, Excellence**

## LINK TO THE GOVERNMENT OF ALBERTA STRATEGIC BUSINESS PLAN

### Government of Alberta Goal

**Goal 4:** Alberta will have a financially stable, open and accountable government and maintain its strong position nationally and internationally

### Personnel Administration Office

The Personnel Administration Office supports an open and accountable government by ensuring the Alberta Public Service has:

- an integrated, effective and enabling human resource management framework; and
- an engaged and healthy workforce positioned to meet emerging and diverse government goals.

## SIGNIFICANT OPPORTUNITIES AND CHALLENGES

As an employer, the Government of Alberta operates in an environment with changing demographics and economic trends, as well as a competitive labour market.

The Personnel Administration Office provides leadership in human resource management and works with other ministries to develop innovative and leading human resource practices designed to support the delivery of quality service to Albertans. To effectively position the Alberta Public Service as an employer that offers a challenging, diverse and rewarding team environment, a number of opportunities and challenges have been identified:

**Attract Talent**
The Alberta Public Service needs to attract talent in a competitive labour market where the demand for skilled and knowledgeable workers is high.

**Engage and Develop Employees**
A dedicated workforce is needed to provide high quality services to Albertans. Continuous development of employees, building strong and positive workplace relationships, ensuring a safe and healthy work environment to support employee well being and valuing employee contributions, helps the Alberta Government to engage and retain employees.

**Succession Management**
The demographics of the Alberta Public Service indicate a significant number of employees are eligible to retire in the next 10 years. A strong emphasis is needed on learning and development to ensure employees with the knowledge, skills and competencies required to achieve the government's goals will be continuously available in the future.

## STRATEGIC PRIORITIES 2007-10

Through the Personnel Administration Office's review of environmental factors, the following strategic priority has been identified. This strategic priority is in addition to the important ongoing core activities of the Personnel Administration Office.

### GOVERNMENT PRIORITY – GOVERN WITH INTEGRITY AND TRANSPARENCY

**1. Continue Public Service Renewal**

**Linkage: Goals 1 and 2**

The Alberta Public Service (APS) Workforce Plan is a strategic priority developed and implemented in collaboration with the APS human resource community. Initiatives under the plan are focused on building the capacity of employees, attracting and retaining talent, promoting workplace health, helping employees achieve high performance and ensuring an enabling compensation framework exists for the public service.

## CORE BUSINESS, GOALS, STRATEGIES & PERFORMANCE MEASURES

### Core Business Three: Human Resource Management

*Providing strategic leadership of human resource management in the Alberta public service*

GOAL ONE 1

### An integrated, effective and enabling human resource management framework in the Alberta Public Service

**What it means** A comprehensive policy framework for human resource management enables a quality and productive work environment and strengthens accountability for the management of human resources in the Alberta Public Service. The framework provides a corporate approach in the areas of benefits, compensation, classification, labour relations, collective bargaining, staffing, performance management, workforce development and workplace health which is established in collaboration and consultation with stakeholders. Functional experts provide consulting services to ministries and the human resource community to support the effective implementation of human resource initiatives. The Personnel Administration Office takes a leadership role in developing the capacity of the human resources community. Information technology tools and communication strategies are sought out and used to leverage the effectiveness of human resource programs.

**Strategies**

1.1 Develop innovative human resource policies to meet current and emerging business needs.

1.2 Promote common human resource management practices.

| Performance Measures | Last Actual (2004-05) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 1.a Client satisfaction with human resource strategies and policy frameworks | 79% | n/a[1] | 85% | n/a[1] |
| 1.b Client satisfaction with working relationships with the Personnel Administration Office | 92% | n/a[1] | 93% | n/a[1] |

**Note:**

[1] Satisfaction survey conducted every two years.

## GOAL TWO 2 An engaged and healthy public service that is positioned to meet emerging and diverse government goals

**What it means** The public service is dedicated to superior client service and business excellence in delivering programs and services to Albertans. The ability to attract, develop and engage skilled and knowledgeable employees and to address succession management within the public service is critical to achieving the goals of government. Engaged employees feel valued and are committed to their work. The overall productivity and success of employees is supported through a healthy and safe work environment, opportunities for input and involvement, and ongoing recognition for a job well done. Addressing issues of work/life balance and building effective working relationships contributes to a quality work environment. A strong commitment to addressing emerging human resource trends and issues, building capacity and continuous learning ensures there are talented people to meet the challenges of today and the future.

**Strategies**

2.1 Attract, develop and engage talent.

2.2 Foster a positive, safe, healthy and flexible work environment.

| Performance Measures | Last Actual (Year) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 2.a Percentage of employees who agree they are satisfied with their work as a Government of Alberta employee | 80% (2005-06) | 83% | 85% | 86% |
| 2.b Percentage of employees who agree their organization supports their work related learning and development | 71% (2005-06) | 72% | 74% | 75% |
| 2.c Alberta public service Lost-Time Claim Rate (per 100 person-years worked) | 1.7 (2005) | 1.5 | 1.5 | 1.5 |

Due to a change in the response scale, an updated performance measure, "Percentage of employees who agree they are satisfied with how clearly work expectations are communicated to them," will be added to Goal 2 after one year of baseline data has been collected.

## EXPENSE BY CORE BUSINESS
(thousands of dollars)

| | Comparable | | | | | |
|---|---|---|---|---|---|---|
| | 2005-06 | 2006-07 | 2006-07 | 2007-08 | 2008-09 | 2009-10 |
| | Actual | Budget | Forecast | Estimate | Target | Target |
| Services to Albertans | 51,889 | 61,713 | 60,135 | 66,548 | 69,093 | 71,802 |
| Services to Government | 274,355 | 282,560 | 249,558 | 256,102 | 260,481 | 263,345 |
| Human Resource Management | 16,389 | 21,870 | 26,710 | 22,775 | 23,405 | 23,900 |
| **MINISTRY EXPENSE** | 342,633 | 366,143 | 336,403 | 345,425 | 352,979 | 359,047 |

## MINISTRY STATEMENT OF OPERATIONS
(thousands of dollars)

| | Comparable | | | | | |
|---|---|---|---|---|---|---|
| | 2005-06 | 2006-07 | 2006-07 | 2007-08 | 2008-09 | 2009-10 |
| | Actual | Budget | Forecast | Estimate | Target | Target |
| **REVENUE** | | | | | | |
| **Premiums, Fees and Licences** | | | | | | |
| Motor Vehicle Licences | 311,944 | 305,120 | 327,720 | 331,846 | 340,180 | 348,735 |
| Land Titles | 55,678 | 54,111 | 65,783 | 69,658 | 75,882 | 83,470 |
| Other Fees and Licences | 17,870 | 17,560 | 19,058 | 19,457 | 19,844 | 20,202 |
| **Other Revenue** | | | | | | |
| Utilities Consumer Advocate | 3,026 | 6,474 | 4,590 | 6,691 | 6,940 | 7,238 |
| Other Miscellaneous Revenue | 115,526 | 98,465 | 72,256 | 68,357 | 71,224 | 73,624 |
| **MINISTRY REVENUE** | 504,044 | 481,730 | 489,407 | 496,009 | 514,070 | 533,269 |
| **EXPENSE** | | | | | | |
| **Program** | | | | | | |
| Ministry Support Services | 9,609 | 13,484 | 14,056 | 13,762 | 14,028 | 14,298 |
| Services to Albertans | 50,118 | 59,180 | 57,282 | 63,580 | 66,020 | 68,605 |
| Services to Government | 265,663 | 271,155 | 237,901 | 244,854 | 249,072 | 251,790 |
| Personnel Administration Office | 14,122 | 19,235 | 24,534 | 20,140 | 20,770 | 21,265 |
| Statutory Programs and Valuation Adjustments | 3,121 | 3,089 | 2,630 | 3,089 | 3,089 | 3,089 |
| **MINISTRY EXPENSE** | 342,633 | 366,143 | 336,403 | 345,425 | 352,979 | 359,047 |
| Gain (Loss) on Disposal of Capital Assets | (2,726) | - | (700) | - | - | - |
| **NET OPERATING RESULT** | 158,685 | 115,587 | 152,304 | 150,584 | 161,091 | 174,222 |

# CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

| | Comparable<br>2005-06<br>Actual | Comparable<br>2006-07<br>Budget | Comparable<br>2006-07<br>Forecast | 2007-08<br>Estimate | 2008-09<br>Target | 2009-10<br>Target |
|---|---|---|---|---|---|---|
| Ministry Revenue | 504,044 | 481,730 | 489,407 | 496,009 | 514,070 | 533,269 |
| *Inter-ministry consolidation adjustments* | (112,320) | (96,233) | (69,290) | (66,126) | (68,994) | (71,394) |
| **Consolidated Revenue** | 391,724 | 385,497 | 420,117 | 429,883 | 445,076 | 461,875 |
| Ministry Expense | 342,633 | 366,143 | 336,403 | 345,425 | 352,979 | 359,047 |
| *Inter-ministry consolidation adjustments* | (112,320) | (96,233) | (69,290) | (66,126) | (68,994) | (71,394) |
| **Consolidated Expense** | **230,313** | **269,910** | **267,113** | **279,299** | **283,985** | **287,653** |
| Gain (Loss) on Disposal of Capital Assets | (2,726) | - | (700) | - | - | - |
| **CONSOLIDATED NET OPERATING RESULT** | 158,685 | 115,587 | 152,304 | 150,584 | 161,091 | 174,222 |

# CAPITAL INVESTMENT BY PROGRAM

(thousands of dollars)

| | Comparable<br>2005-06<br>Actual | Comparable<br>2006-07<br>Budget | Comparable<br>2006-07<br>Forecast | 2007-08<br>Estimate | 2008-09<br>Target | 2009-10<br>Target |
|---|---|---|---|---|---|---|
| Services to Albertans | 295 | 945 | 945 | 1,445 | 245 | 245 |
| Services to Government | 12,622 | 15,926 | 25,456 | 39,366 | 38,866 | 24,766 |
| **MINISTRY CAPITAL INVESTMENT** | 12,917 | 16,871 | 26,401 | 40,811 | 39,111 | 25,011 |

# Solicitor General and Public Security

BUSINESS PLAN 2007-10

## ACCOUNTABILITY STATEMENT

The business plan for the three years commencing April 1, 2007 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as of March 26, 2007 with material economic or fiscal implications of which I am aware have been considered in preparing the business plan.

The Ministry's priorities outlined in the business plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this business plan.

Fred Lindsay, *Solicitor General and Minister of Public Security*
March 28, 2007

## THE MINISTRY

The Ministry of Solicitor General and Public Security includes the Department of Solicitor General and Public Security, the Victims of Crime Fund, the Lottery Fund, and the Alberta Gaming and Liquor Commission as entities for budget reporting purposes as well as the Law Enforcement Review Board, the Criminal Injuries Review Board, the Victims of Crime Program Committee and the Racing Appeal Tribunal.

The Department of Solicitor General and Public Security is comprised of two operational divisions – Correctional Services and Public Security. The Corporate Services Division, Special Projects, Aboriginal Justice Initiatives, Communications, Information Technology, Staff College and Human Resources Services provide support services to the Ministry.

The Alberta Gaming and Liquor Commission ensures that gaming and liquor activities are conducted effectively and with integrity, and in a socially responsible manner. It also endeavours to maximize the economic benefits of gaming and liquor activities in the province for the benefit of Albertans.

The Law Enforcement Review Board is an independent, quasi-judicial body established under the *Police Act* that hears appeals from citizens who have filed a complaint regarding the actions of a police officer and who are not satisfied with the disposition of their complaint. The Criminal Injuries Review Board considers requests for reviews concerning decisions on applications for financial benefits under the *Victims of Crime Act*. The Victims of Crime Program Committee makes recommendations on grant applications, with respect to programs and services that assist victims. The Racing Appeal Tribunal hears appeals arising from the rulings or directions of horse racing officials.

## VISION

*Albertans have safe and secure communities in which to live, work and raise their families.*

## MISSION

To work in partnership with Albertans to promote safe, secure communities through effective law enforcement, correctional and victim services and ensure integrity and accountability and social responsibility in Alberta's gaming and liquor industries.

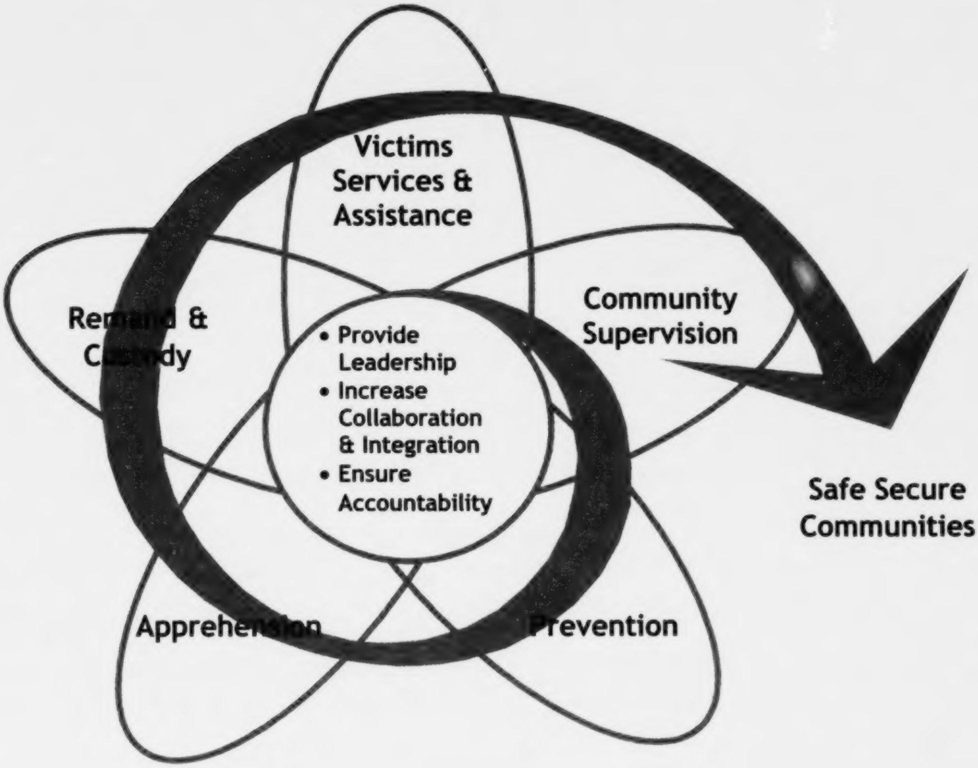
## VALUES

The Ministry is committed to, and guided by the Government of Alberta's values of respect, accountability, integrity, and excellence.

## LINK TO THE GOVERNMENT OF ALBERTA STRATEGIC BUSINESS PLAN

| **Government of Alberta Strategic Business Plan** | **Solicitor General and Public Security 2007-10 Business Plan** |
|---|---|
| **Goal 6:** Albertans will be independent and our children will be well cared for | **Goal 6:** Victims of crime will receive assistance information and support |
| **Goal 7:** Alberta will be a safe place to live, work and raise families | **Goal 1:** Provide leadership in law enforcement to promote safe communities<br>**Goal 2:** Crime prevention and community safety programs are in place to promote safe Alberta communities<br>**Goal 3:** Secure and efficient custody and community supervision<br>**Goal 4:** Offenders will have the opportunity to access rehabilitative services and programs<br>**Goal 5:** Ensure the safety of Albertans by providing Government security services and crisis management planning<br>**Goal 8**: Alberta's gaming industry operates with integrity, social responsibility and benefits Albertans |
| **Goal 8:** Albertans will have the opportunity to enjoy the province's natural, historical and cultural resources | **Goal 8:** Alberta's gaming industry operates with integrity, social responsibility and benefits Albertans |
| **Government Priority:**<br>Provide safe and secure communities | The Ministry supports the Reducing Crime and Supporting Safe Communities initiative through planning for, providing logistical support to and attending the consultation with stakeholders and the public. |

## Solicitor General and Public Security Department Services Model



Victims Services & Assistance
Community Supervision
Remand & Custody
Provide Leadership
Increase Collaboration & Integration
Ensure Accountability
Apprehension
Prevention
Safe Secure Communities

The Department delivers integrated services to achieve safe, secure communities by providing leadership, increasing collaboration and integration and by ensuring accountability.

## SIGNIFICANT OPPORTUNITIES AND CHALLENGES

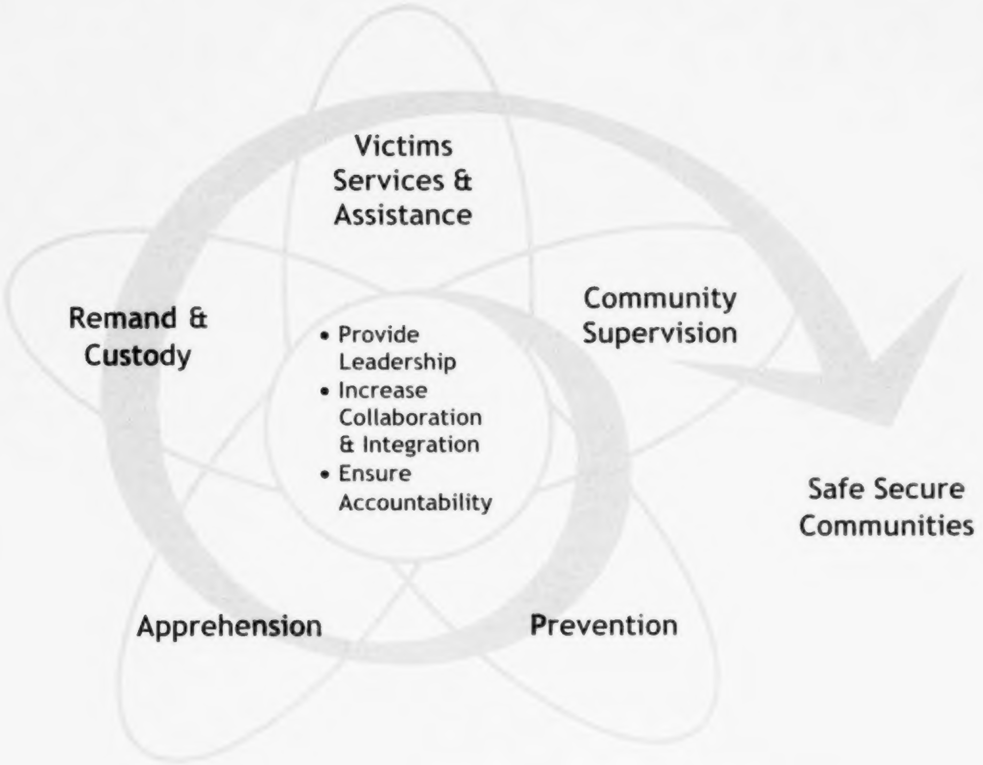
**Changing Landscape of Criminal Activity**

The incidents of several types of crime such as: production and sale of drugs, organized crime, gangs, internet crime, identity theft and domestic violence are increasing in the province. Criminals are increasingly using new technology to commit these crimes and are not constrained by geographic boundaries. This has created the need for innovative models to deliver policing and more complex investigative techniques. The characteristics of the individuals committing these crimes are changing as well with more gang affiliated offenders requiring segregation when detained.

To effectively address this changing criminal activity, the Ministry is:

- encouraging policing partnerships through networks such as the Alberta Law Enforcement Response Team, Integrated Child Exploitation Unit and Integrated Response to Organized Crime;
- exploring and using technology to improve communications between policing and law enforcement agencies and maximizing correctional management through initiatives like the electronic monitoring pilot program; and
- bridging intelligence activities across enforcement agencies and corrections.

### Solicitor General and Public Security Department Services Model


Victims Services & Assistance
Remand & Custody
Community Supervision
• Provide Leadership
• Increase Collaboration & Integration
• Ensure Accountability
Safe Secure Communities
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- bridging intelligence activities across enforcement agencies and corrections.

### Societal Impacts of Criminal Activity

With the growth in crime also comes the growth of public concern regarding the impact of crime on society and how law enforcement agencies are accountable for their enforcement activities. Addressing the societal impacts of crime on Albertans is a priority of the Ministry. Family violence (spousal and bullying), child exploitation, the disproportionate representation of Aboriginal people at all levels of the criminal justice system both as victims and offenders, and the need for more community awareness of victims programs and services are examples of the societal issues that the Ministry is seeking to address. Compounding these issues is the growing Alberta economy, which has resulted in a dramatic population growth in the province. While this population growth has contributed to an increase in the total number of criminal incidents and the resulting victimization, the crime rate has not increased. As more crime occurs in the province, the public's expectation for greater enforcement accountability is also on the rise.

Through partnerships within government and with dozens of non-government agencies, the Ministry is working to address these societal impacts by developing educational materials and training opportunities to address family violence, child exploitation, violence in and around premises licensed to serve liquor, and victims programs; delivering media campaigns to inform communities and victims regarding victims programs; and facilitating the delivery of community-based Aboriginal justice initiatives. The Ministry is also developing model policies for police commissions and training and development for those involved in civilian oversight of police to address the public's concern of enforcement accountability.

### Provincial Security

The challenges facing the Ministry today in keeping Albertans safe are very different from a decade ago. The Ministry needs to work with industry in the province to prepare for the unknown and assist industry in their understanding of potential threats. To ensure the most effective response in case of an event requiring crisis management, there is a need for intelligence sharing and coordination of efforts with public safety agencies and first responders in the province.

The Ministry has improved its ability to keep Albertans safe by:

- increasing information sharing with public safety and first responder partners;
- enhancing collaboration between law enforcement agencies;
- improving planning/training exercises within government and industry to protect critical and vulnerable infrastructure; and
- aligning cross provincial crisis management and public safety activities to increase effectiveness of the activities.

### Responsible Management of Alberta's Gaming and Liquor Industries

The cornerstone of Alberta's approach to its gaming and liquor industries is that all activities are conducted in a socially responsible manner. The Ministry will continue to identify opportunities to work with stakeholders to develop appropriate policies and innovative programs to promote the responsible use of gaming and liquor products. The current gaming industry is operating in the context of a strong provincial economy and increasing population. Growth of the gaming industry must continue to be carefully managed and controlled.

# STRATEGIC PRIORITIES 2007-10

The Ministry is pursuing a number of strategic priorities over the next three years that will have significant impact on the Ministry's Core Businesses.

## GOVERNMENT PRIORITY – PROVIDE SAFE AND SECURE COMMUNITIES

| | |
|---|---|
| **1. Establish an Integrated & Coordinated Services Network**<br>**Linkage: Goals 1, 3 and 6** | Ensure effective coordination of federal, provincial and municipal enforcement and public security agencies through the implementation of initiatives such as the integrated information and communications technology strategy. |
| **2. Renew Provincial Police Service Agreement**<br>**Linkage: Goals 1 and 2** | Renew the contract with the Royal Canadian Mounted Police to ensure the ongoing provision of policing services for the citizens of Alberta. Develop a law enforcement framework which will better coordinate agents such as sheriffs, special constables and private security providers. |
| **3. Reducing Crime and Supporting Safe Communities**<br>**Linkage: Goals 1 and 2** | Support the Crime Reduction and Safe Communities Task Force on reducing crime through planning for, providing logistical support to and attending consultations with stakeholders and the public. |
| **4. Implement an Integrated Crime Reduction Strategy**<br>**Linkage: Goals 1 and 2** | Work with other ministries, partners and stakeholders to incorporate government accepted recommendations for an integrated crime reduction strategy, resulting from the Crime Reduction and Safe Communities Task Force on reducing crime. Through this strategy, government, stakeholders and partners will work together to achieve a future in which Albertans will experience less crime, feel less fearful of crime and will make their communities safer places to live and work. |
| **5. Maximize the Use of Emerging Technology**<br>**Linkage: Goals 1, 3 and 6** | The Ministry will work with stakeholders to improve management effectiveness in Law Enforcement, Corrections and Victims Services programs by implementing innovative information and communication technologies at the program level and by adopting common technology approaches to improve intelligence sharing across programs. |
| **6. Plan for the Future of Corrections**<br>**Linkages: Goals 1,3 and 6** | Develop a plan for the continued efficient delivery of correctional service programs, including developing innovative solutions to inmate population pressures and the changing inmate profile. This plan will enable a response to rapidly changing demographic patterns, current and anticipated legislated requirements, and help to ensure that Alberta's correctional services reflect best practice standards. |
| **7. Enhance Law Enforcement Oversight**<br>**Linkage: Goal 1** | The Ministry will improve the ability of civilian oversight bodies to ensure police accountability and increase public confidence in police and the justice system. This includes civilian governance oversight and the development of new or additional oversight mechanisms. |

**8. Enhance Community Capacity to Respond to Victims of Crime**

**Linkage: Goal 6**

The Ministry, in partnership with community and justice system stakeholders, will assist victim services organizations to identify opportunities and implement strategies for the provision of improved services for victims of crime in all Alberta communities.

### GOVERNMENT PRIORITY – GOVERN WITH INTEGRITY AND TRANSPARENCY

**9. Manage Growth in the Gaming Industry**

**Linkage: Goal 8**

The gaming industry is currently operating in a dynamic environment characterized by a strong provincial economy and increasing population. To accommodate demand, several new casinos, including First Nations casinos, will open in Alberta over the next three years. The Ministry must continue to carefully manage and control the growth of the gaming industry in Alberta.

**10. Enhance the Liquor Distribution and Retail Model**

**Linkage: Goal 7**

The Ministry will work with stakeholders to enhance the liquor distribution and retail model to ensure Albertans remain satisfied with the conduct of the liquor industry.

# CORE BUSINESSES, GOALS, STRATEGIES & PERFORMANCE MEASURES

## Core Business One: Law Enforcement and Crime Prevention

GOAL ONE

1

### Provide leadership in law enforcement to promote safe communities

**What it means** The Ministry oversees policing throughout the province through the provision of the Provincial Policing Service Agreement with the RCMP, municipal policing assistance grants, partnerships with the federal and First Nations governments for First Nations Policing, and support to police efforts through the Alberta Sheriffs program.

**Strategies**

1.1 Provide oversight for all policing and other law enforcement activities across Alberta through the administration, review and refinement of provincial legislation, policy and standards.

1.2 Ensure effective policing through the provision of the Provincial Policing Service Agreement, the Municipal Assistance Policing Grants and Aboriginal policing programs.

1.3 Lead the development and coordination of law enforcement partnerships such as the Alberta Law Enforcement Response Team, Integrated Response to Organized Crime and Integrated Child Exploitation Unit to address organized crime and other critical criminal activity pressures.

1.4 Develop the law enforcement network to clarify roles and responsibilities in administering policing activities in Alberta.

1.5 Work with policing partners and stakeholders to introduce common technology to facilitate interoperability across law enforcement agencies (e.g., networked radio system).

1.6 Supplement policing activities such as traffic safety, investigative support and special investigation.

| Performance Measures | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 1.a **Victimization Rate**<br>The percentage of Albertans who have reported being a victim of crime in the past year | 24% | 25% | 25% | 25% |
| 1.b **Crime Rate: Property Crime**<br>The rate (per 100,000 pop.) of property crime as reported by police | 4,874<br>(23% above the national rate)<br>National rate<br>3,738 | Equal to or lower than the national rate | | |
| 1.c **Crime rate: Violent Crime**<br>The rate (per 100,000 pop.) of violent crime as reported by police | 1,096<br>(14% above the national rate)<br>National rate<br>943 | Equal to or lower than the national rate | | |

**Sources:**

1.a. Annual Public Opinion Survey  
1.b Crime Statistics in Canada, Canadian Centre for Justice Statistics

GOAL TWO

## 2 Crime prevention and community safety programs are in place to promote safe Alberta communities

**What it means** In order to be proactive in addressing crime in the province, the Ministry works extensively with communities, various levels of government and other agencies to foster locally effective crime prevention and community safety programs.

**Strategies**

2.1 Provide education, awareness, training and funding for community prevention programs.

2.2 Use partnerships with other government agencies, local communities and policing services to deliver crime prevention and restorative justice programs such as youth justice committees, responses to family violence and bullying, youth leadership development in Aboriginal communities, local crime reduction solutions, etc.

2.3 Build a foundation for restorative justice programs through community and government partnerships.

2.4 Develop an integrated crime reduction strategy.

| Performance Measures | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 2.a **Public Perception of Safety in the Home** The percentage of Albertans who feel "reasonably safe" to "very safe" in their home after dark | 93% | 91% | 91% | 91% |
| 2.b **Public Perception of Safety in the Neighbourhood** The percentage of Albertans who feel "reasonably safe" to "very safe" walking alone in their area after dark | 72% | 82% | 82% | 82% |

**Source:**
Annual Public Opinion Survey

## Core Business Two: Custody, Supervision and Facilitation of Rehabilitative Opportunities for Offenders

GOAL THREE 3

### Secure and efficient custody and community supervision

**What it means** The Ministry ensures young offenders between the age of 12 and 17 and adult offenders are appropriately supervised in the community, securely held in custody, and safely transported.

**Strategies**

3.1 Use alternate approaches to address remand population pressures in the province such as partnerships with the Correctional Service of Canada to house offenders.

3.2 Ensure the safety of the community through the effective enforcement of court orders and supervision of community and in-custody offenders in a cost effective manner.

3.3 Provide safe and secure transport of offenders between centers and court locations.

3.4 Initiate the development of a corrections blueprint that will guide the future of corrections in the Province.

3.5 Continue to implement new and innovative solutions to managing offender populations including initiatives such as the building of a new Edmonton Remand Centre and the electronic monitoring pilot program.

| Performance Measures | Last Actual (year) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 3.a **Successful Completion of Temporary Absence Supervision**<br>The percentage of offenders on temporary absence who do not incur a new criminal charge while under supervision | 99.9%<br>(2005-06) | | No lower than 99% | |
| 3.b **Per Diem Cost for Housing Adult Offenders in a Correctional Facility** | $108.72 – 2nd lowest cost per diem per offender in Canada<br>(2004-05) | | To be among the four jurisdictions that have the lowest cost per diem per offender in Canada | |
| 3.c **Number of Escape Incidents From Secure Custody (within a correctional facility) or During Transport** | 2<br>(2005-06) | 0 | 0 | 0 |

**Sources:**

3.a Administrative data, Correctional Services Division

3.b Canadian Centre for Justice Statistics, Adult Correctional Services in Canada, 2004-05. Per diem costs do not include costs incurred by other ministries, community corrections or community purchased services

3.c Administrative data, Correctional Services and Public Security Divisions

GOAL FOUR 4

## Offenders will have the opportunity to access rehabilitative services and programs

**What it means** While under Ministry supervision (community and custody), offenders are offered the opportunity to participate in a variety of rehabilitative programs. While the onus for change rests with the individual, it is believed that the change process can be facilitated through providing offenders with assistance and opportunities that promote positive and productive behaviours.

**Strategies**

4.1 Provide offenders access to a variety of rehabilitative services, mental health services, specialized treatment programs, education programs and life skills training.

4.2 Explore the efficacy of current rehabilitation programs and services, ensuring their relevance to a changing offender population.

4.3 Support the Alberta Children and Youth cross-ministry initiative by ensuring that provincial supports for youth in transition are comprehensive, integrated and effective in meeting the needs of youth at risk.

4.4 Ensure staff receives training opportunities so they are best able to provide supervision to offenders.

| Performance Measure | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 4.a **Percentage of Incarcerated Offenders Involved in Work, Education, Treatment or Life Management Programs** | 88% | 85% | 85% | 85% |

**Source:**
Administrative data, Correctional Services Division

# Core Business Three: Protection Services for Officials, Facilities and Infrastructure

GOAL FIVE **5**

## Ensure the safety of Albertans by providing government security services and crisis management planning

**What it means** The Ministry is responsible for security of government officials, property and operations, including court and legislative security. It is also responsible for counter-terrorism, intelligence and crisis management planning in coordination with federal, provincial, municipal governments and industry partners and stakeholders.

**Strategies**

5.1 Provide protection services for government officials, property and operations.

5.2 Provide coordinated security information sharing mechanisms between private industry and government stakeholders, law enforcement and intelligence agency partners.

5.3 Provide crisis management programming through critical infrastructure identification, security risk awareness and notification services, to ensure appropriate steps are taken in the event of an intentional threat.

5.4 Work with government entities to conduct security audits and to establish minimum security standards for government owned and leased buildings.

5.5 Assist industry in their crisis management planning to ensure industry is prepared in the event of crisis.

| Performance Measure | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 5.a **Satisfaction with Services or Information from the Security and Information Management Unit** | 85% | 87% | 87% | 87% |

**Source:**
Client Satisfaction Survey, Public Security Division

**Performance Measure Under Development:**

- The level of emergency preparedness of government owned or leased critical infrastructure.

# Core Business Four: Victims Programs and Services

GOAL SIX **6**

## Victims of Crime will receive assistance information and support

**What it means** The Ministry ensures that eligible victims of crime receive prompt financial benefits and assists community groups and organizations to establish accountable programs and initiatives that meet the needs of victims of crime.

**Strategies**

6.1 Provide prompt financial assistance to victims who are eligible through the Financial Benefits Program.

6.2 Provide funding through the Victims of Crime Fund Grant Program to eligible groups and organizations that provide programs and initiatives that benefit victims of crime.

6.3 Continue to deliver the Victim Services awareness campaign to ensure Albertans, community groups and the justice community are informed of victims programs and services.

6.4 Inform and work with community groups to build capacity for the provision of victim services.

6.5 Assist Aboriginal and isolated communities to enhance and expand services to victims of crime.

6.6 Continue to implement the government-approved recommendations from the MLA Report of the Alberta Victims of Crime Consultation.

6.7 Assist victims with costs of attending court proceedings to support the healing process.

| Performance Measure | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 6.a **Satisfaction with Services Provided by employees and volunteers within the criminal justice system** (based on a five-point rating scale) | 4.02 | 4.00 | 4.00 | 4.00 |

**Source:**
Client Satisfaction Survey, Public Security Division

**Performance Measure Under Development:**

- Percentage of recipients who receive Victim Financial Benefits that are satisfied with services received from the Victims of Crime Financial Benefits Program.

## Core Business Five: Alberta's Liquor and Gaming Industries Operate with Integrity and in a Socially Responsible Manner

GOAL SEVEN 7

### Alberta's liquor industry operates with integrity, remains progressive and benefits Albertans

**What it means** The Ministry is committed to ensuring Alberta's liquor industry will continue to be progressive, while balancing choice with social responsibility. The Ministry regulates the liquor industry through the provisions of the *Gaming and Liquor Act* and regulation. The Ministry also partners with the Alberta Alcohol and Drug Abuse Commission (AADAC), other government ministries, industry and other stakeholders to develop appropriate policies and innovative programs to promote the responsible use of liquor products.

**Strategies**

7.1 Conduct reviews of liquor policies, legislation and regulations.

7.2 In partnership with AADAC and the liquor industry, ensure Albertans are aware of prevention and treatment programs for alcohol abuse.

7.3 Ensure liquor policies protect the interests of and maximize benefits to Albertans.

7.4 Support or conduct research and education programs related to the responsible use of alcohol.

7.5 Implement Alberta Server Intervention Program security staff training to improve safety in licensed premises.

| Performance Measures | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 7.a **Percentage of Albertans satisfied with the conduct of the liquor business in Alberta** | 78% | 80% | 80% | 80% |
| 7.b **Percentage of liquor licensees who comply with legislation, regulations and policy** | 94% | 95% | 95% | 95% |
| 7.c **Percentage of Albertans satisfied that liquor is provided in a responsible manner** | 93% | 94% | 95% | 95% |

**Sources:**

7.a Survey of Albertans, Alberta Gaming and Liquor Commission
7.b AGLC Disciplinary Action Database, Alberta Gaming and Liquor Commission
7.c Survey of Albertans, Alberta Gaming and Liquor Commission

GOAL EIGHT

## 8 Alberta's gaming industry operates with integrity, social responsibility and benefits Albertans

**What it means**

The Ministry is committed to ensuring Alberta's gaming industry operates with integrity while offering quality gaming entertainment choices to Albertans and providing economic benefits to charities. The Ministry regulates the gaming industry through the provisions of the *Gaming and Liquor Act* and regulation and ensures that the government portion of revenue from provincial lotteries is directed to the Alberta Lottery Fund.

The Ministry also partners with the Alberta Alcohol and Drug Abuse Commission (AADAC), other government ministries, industry and other stakeholders to ensure that the gaming industry operates in a socially responsible manner by developing, implementing and evaluating initiatives that promote responsible gaming. The Ministry is committed to funding research into various aspects of gaming to assist policy development.

**Strategies**

8.1 Conduct reviews of gaming policies, legislation and regulations.

8.2 Monitor emerging issues and trends, and where necessary, develop policies to address the social and economic implications of those issues.

8.3 Partner with AADAC and the gaming industry, to develop and deliver responsible gaming programs.

8.4 Work with First Nations to continue to implement the First Nations Gaming Policy and ensure consistency with the charitable gaming model and the government's Aboriginal Policy Framework.

8.5 Ensure revenues from provincial lotteries are directed to the Alberta Lottery Fund and Alberta's charitable gaming model continues to provide maximum benefit to charities.

| Performance Measures | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 8.a **Percentage of charitable gaming activities that are conducted in accordance with legislation, regulation and policy** | 99.6% | 95.0% | 95.0% | 95.0% |
| 8.b **Percentage of Albertans satisfied that the gaming activity they participated in was provided fairly and in a responsible manner** | 92% | 95% | 95% | 95% |
| 8.c **Dollars distributed annually to the Alberta Lottery Fund ($million)** | 1,398 | 1,454 | 1,543 | 1,620 |
| 8.d **Charitable gaming revenue earned by charities ($million)** | 252 | 280 | 290 | 300 |

**Sources:**

8.a AGLC Investigations System, Alberta Gaming and Liquor Commission
8.b Survey of Albertans, Alberta Gaming and Liquor Commission
8.c Financial Statements, Alberta Lottery Fund
8.d Administrative data, Alberta Gaming and Liquor Commission

# EXPENSE BY CORE BUSINESS

(thousands of dollars)

| | Comparable 2005-06 Actual | Comparable 2006-07 Budget | Comparable 2006-07 Forecast | 2007-08 Estimate | 2008-09 Target | 2009-10 Target |
|---|---|---|---|---|---|---|
| Law Enforcement and Crime Prevention | 224,639 | 234,893 | 234,807 | 250,659 | 252,317 | 254,424 |
| Custody, Supervision and Facilitation of Rehabilitative Opportunities for Offenders | 159,069 | 174,404 | 178,204 | 196,843 | 205,262 | 212,541 |
| Protection Services for Officials, Facilities and Infrastructure | 16,596 | 26,236 | 25,019 | 38,830 | 43,215 | 44,227 |
| Victims Programs and Services | 14,376 | 16,770 | 18,122 | 18,911 | 20,406 | 20,937 |
| Alberta's Liquor and Gaming Industries Operate with Integrity and in a Socially Responsible Manner | 1,397,828 | 1,306,155 | 1,470,045 | 1,454,407 | 1,542,866 | 1,620,120 |
| **MINISTRY EXPENSE** | 1,812,508 | 1,758,458 | 1,926,197 | 1,959,650 | 2,064,066 | 2,152,249 |

# MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

| | Comparable 2005-06 Actual | Comparable 2006-07 Budget | Comparable 2006-07 Forecast | 2007-08 Estimate | 2008-09 Target | 2009-10 Target |
|---|---|---|---|---|---|---|
| **REVENUE** | | | | | | |
| Transfer from Government of Canada | 21,283 | 21,882 | 21,882 | 20,987 | 20,896 | 20,872 |
| Investment Income | 9,432 | 6,325 | 12,750 | 6,500 | 6,500 | 6,500 |
| Premiums, Fees and Licences | 394 | 350 | 350 | 350 | 350 | 350 |
| Net Income from Commercial Operations | 1,985,770 | 1,870,907 | 2,064,287 | 2,090,770 | 2,204,917 | 2,308,593 |
| Other Revenue | 20,755 | 18,790 | 20,680 | 20,690 | 21,990 | 22,390 |
| **MINISTRY REVENUE** | 2,037,634 | 1,918,254 | 2,119,949 | 2,139,297 | 2,254,653 | 2,358,705 |
| **EXPENSE** | | | | | | |
| **Program** | | | | | | |
| Ministry Support Services | 16,348 | 19,428 | 19,428 | 24,118 | 26,493 | 28,086 |
| Public Security | 237,355 | 258,078 | 257,127 | 286,579 | 291,745 | 294,480 |
| Correctional Services | 145,276 | 158,580 | 162,080 | 176,371 | 183,426 | 189,564 |
| Gaming Research | 1,533 | 1,600 | 1,600 | 1,600 | 1,600 | 1,600 |
| Victims of Crime | 13,541 | 15,950 | 17,250 | 17,908 | 19,269 | 19,732 |
| Valuation Adjustments and Other Provisions | 2,160 | 267 | 267 | 267 | 267 | 267 |
| Lottery Fund Payments to Other Ministries | 1,396,295 | 1,304,555 | 1,468,445 | 1,452,807 | 1,541,266 | 1,618,520 |
| **MINISTRY EXPENSE** | 1,812,508 | 1,758,458 | 1,926,197 | 1,959,650 | 2,064,066 | 2,152,249 |
| Gain (Loss) on Disposal of Capital Assets | - | - | - | - | - | - |
| **NET OPERATING RESULT** | 225,126 | 159,796 | 193,752 | 179,647 | 190,587 | 206,456 |

# CONSOLIDATED NET OPERATING RESULT
(thousands of dollars)

| | Comparable<br>2005-06 Actual | Comparable<br>2006-07 Budget | Comparable<br>2006-07 Forecast | 2007-08 Estimate | 2008-09 Target | 2009-10 Target |
|---|---|---|---|---|---|---|
| Ministry Revenue | 2,037,634 | 1,918,254 | 2,119,949 | 2,139,297 | 2,254,653 | 2,358,705 |
| *Inter-ministry consolidation adjustments* | - | - | - | - | - | - |
| **Consolidated Revenue** | 2,037,634 | 1,918,254 | 2,119,949 | 2,139,297 | 2,254,653 | 2,358,705 |
| Ministry Expense | 1,812,508 | 1,758,458 | 1,926,197 | 1,959,650 | 2,064,066 | 2,152,249 |
| *Inter-ministry consolidation adjustments* | (1,396,295) | (1,304,555) | (1,468,445) | (1,452,807) | (1,541,266) | (1,618,520) |
| **Consolidated Expense** | **416,213** | **453,903** | **457,752** | **506,843** | **522,800** | **533,729** |
| Gain (Loss) on Disposal of Capital Assets | - | - | - | - | - | - |
| **CONSOLIDATED NET OPERATING RESULT** | 1,621,421 | 1,464,351 | 1,662,197 | 1,632,454 | 1,731,853 | 1,824,976 |

# CAPITAL INVESTMENT BY PROGRAM
(thousands of dollars)

| | Comparable<br>2005-06 Actual | Comparable<br>2006-07 Budget | Comparable<br>2006-07 Forecast | 2007-08 Estimate | 2008-09 Target | 2009-10 Target |
|---|---|---|---|---|---|---|
| Ministry Support Services | 238 | - | 9,600 | 23,894 | 23,790 | 15,161 |
| Public Security | 739 | 30 | 1,481 | 305 | 305 | 305 |
| Correctional Services | 1,185 | 150 | 150 | 150 | 150 | 150 |
| Victims of Crime | 190 | 25 | 25 | 25 | 25 | 25 |
| **MINISTRY CAPITAL INVESTMENT** | 2,352 | 205 | 11,256 | 24,374 | 24,270 | 15,641 |

# Sustainable Resource Development

## BUSINESS PLAN 2007-10

## ACCOUNTABILITY STATEMENT

The business plan for the three years commencing April 1, 2007 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as of March 26, 2007 with material economic or fiscal implications of which I am aware have been considered in preparing the business plan.

The Ministry's priorities outlined in the business plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this business plan.

Ted Morton, *Minister of Sustainable Resource Development*
March 28, 2007

## THE MINISTRY

The Ministry of Sustainable Resource Development consists of the Department of Sustainable Resource Development, the Natural Resources Conservation Board and the Environmental Protection and Enhancement Fund. The Ministry also includes the Surface Rights Board and the Land Compensation Board, which are included in the department's consolidated financial statements for reporting purposes. As the province's primary manager of public lands, forests, fish and wildlife, the Ministry works with industries, communities and Albertans to provide integrated resource policy, allocate resources, and assure resource stewardship.

## VISION

*Alberta's lands, forests, fish and wildlife benefit present and future Albertans.*

## MISSION

Sustainable Resource Development encourages balanced and responsible use of Alberta's natural resources through the application of leading practices in management, science, and stewardship.

## LINK TO THE GOVERNMENT OF ALBERTA STRATEGIC BUSINESS PLAN

**Government of Alberta Goal 1: Alberta will have a prosperous economy**
Sustainable Resource Development links to this government goal through its work to develop a Land-use Framework and implement aggressive strategies to protect the health of Alberta's forests, particularly from mountain pine beetle infestation. Sustainable Resource Development also supports this goal with its many strategies to promote balanced and responsible use of Alberta's land, forests, fish and wildlife to sustain them for future generations and support economic development.

**Government of Alberta Goal 3: The high quality of Alberta's environment will be sustained**
Sustainable Resource Development links to this government goal through its work to develop a biodiversity strategy and advance the Sustainable Resource and Environmental Management initiative. A biodiversity strategy will help conserve biological diversity and enable sound management of Alberta's natural resources on a sustainable basis. Sustainable Resource and Environmental Management will enable integrated management policies and regulatory processes, and improve coordination and integration of inter-departmental operations.

**Government of Alberta Goal 7: Alberta will be a safe place to live, work and raise families**
Sustainable Resource Development links to this government goal through its work to protect Alberta's forests and forest communities from wildfire.

**Government Priority: Manage Growth Pressures**
Sustainable Resource Development supports this Government Priority through its work to develop a provincial Land-use Framework. The framework will address conflicts over competing use of land and provide a vision for an integrated, sustainable, land-use approach that balances economic, environmental and social concerns.

## SIGNIFICANT OPPORTUNITIES AND CHALLENGES

Maintaining Alberta's dynamic economy over the long term is the direct result of the sustainable management of the province's natural resources. This management requires balance among the environmental, economic and social benefits Albertans receive from these resources.

**Sustainable Resource Development will seek to take advantage of the following opportunities over the next three years:**

**Land-use Framework**: Sustainable Resource Development is working with other ministries to complete the Land-use Framework to address conflicts over competing use of land and provide a vision for an integrated sustainable land-use approach that balances economic, environmental and social concerns.

**Sustainable Resource and Environmental Management**: Sustainable Resource Development will collaborate with Energy, Environment, and other provincial government ministries to achieve a coordinated approach to:

- managing Alberta's natural resources;
- minimizing the industrial footprint on the landscape, supporting future resource-based opportunities, and maintaining ecological integrity and biodiversity;
- harmonizing sustainable resource and environmental management standards through an integrated, cross-ministry approach and a formalized stakeholder consultation process; and
- developing environmental and resource information systems within government and with external information providers that enable access to information necessary for deciding how Alberta's environment and natural resources should be used.

**Public Information, Education and Outreach**: Sustainable Resource Development will continue to pursue an outreach program to provide Alberta's youth, educators, resource sector clients, the media, and the general public with information on the Ministry and stewardship of Alberta's natural resources.

**Challenges influencing the strategic direction of the Ministry include**:

**Managing Growth Pressures**: Alberta's strong economy is fueling rapid industrial and commercial development on public land. The volume of disposition approvals to use public land combined with the complexity of integrating all the activities on the land is increasing the need for more planning and consultation. At the same time, Albertans require access to public land for a wide spectrum of recreation activities (e.g., hunting, fishing, nature appreciation, and off-road vehicle use).

**Managing Resource Development and the Environment**: Albertans rely on the Ministry to make decisions on using this province's land, forests, fish and wildlife in a way that sustains them for future generations and supports economic development. Considering the current pace of development, the Ministry is challenged to ensure it has the right policies and decision-making tools in place to ensure the best decisions are made regarding natural resource use and development.

**Mountain Pine Beetle**: Mountain pine beetles are threatening the health of Alberta's forests. An unprecedented massive flight of these beetles into northwestern Alberta late last July has resulted in a significantly higher number of beetle-infested trees than expected. This is in addition to the gradual encroachment of beetles from British Columbia. Aggressive action must be taken to protect the health of Alberta's forests and forest industry.

**Natural Environmental Trends**: Outbreaks of pests such as spruce budworm and grasshoppers require aggressive strategies to protect the health of Alberta's forests and significantly impact how the Ministry manages the landscape. Changing environmental conditions over which the Ministry has little or no control, such as flooding and drought, can affect land use and the risk of wildfire and insect infestation, as well as fish and wildlife populations and their natural communities.

**Forest Industry Competitiveness**: The value of the Canadian dollar, global market pressures, and increased energy and transportation costs are all serving to affect the competitiveness of Alberta's forest products industry. Meanwhile, North American housing markets are beginning to slow, and warnings of this trend continuing are apparent.

**Building Organizational Capacity**: Alberta employers are facing challenges in attracting qualified workers to fill job vacancies and retain existing employees. Whether retaining senior staff or hiring seasonal workers for wildfire or mountain pine beetle operations, Sustainable Resource Development faces the same recruitment and retention challenges as other Alberta employers in this province's tight job market.

# STRATEGIC PRIORITIES 2007-10

Through the Ministry's review of external and internal challenges, the strategic priorities described below have been identified. These are in addition to the important ongoing core business of the Ministry.

### GOVERNMENT PRIORITY – MANAGE GROWTH PRESSURES

| | |
|---|---|
| **1. Land-use Framework**<br>**Linkage: Goals 1, 2, 3, 4 and 5** | Complete the Land-use Framework for the province to address conflicts over competing use of land and provide a vision for an integrated sustainable land-use approach that balances economic, environmental and social concerns. |
| **2. Biodiversity Strategy**<br>**Linkage: Goals 1, 2, 3 and 4** | Develop a biodiversity strategy to conserve biological diversity and enable sound management of Alberta's natural resources on a sustainable basis. |
| **3. Sustainable Resource and Environmental Management**<br>**Linkage: Goals 1, 2, 3 and 4** | Continue to work with Environment, Energy and other ministries and stakeholders to develop integrated sustainable resource and environmental management policies, regulatory processes and improved coordination/integration of interdepartmental operations. |

### GOVERNMENT PRIORITY – BUILD A STRONGER ALBERTA

| | |
|---|---|
| **4. Forest Health**<br>**Linkage: Goals 1, 2, 3 and 4** | Implement aggressive actions to protect the health of Alberta's forests, particularly from mountain pine beetle infestation. |

# CORE BUSINESSES, GOALS, STRATEGIES & PERFORMANCE MEASURES

The Ministry of Sustainable Resource Development has four core business areas:

- Lands
- Forests
- Fish and Wildlife
- Quasi-judicial Land-use and Compensation Decisions

The department is responsible for delivering the first three, and the Ministry's three boards (Natural Resources Conservation Board, Surface Rights Board, and Land Compensation Board) deliver its fourth core business. Support in delivering these core businesses is provided by Communications, Corporate Business Support, Environmental Law, Finance and Administration, and Human Resources.

## Core Business One: Lands

The Ministry manages the demands of multiple stakeholders using Alberta's public land by integrating planning and management best practices to sustain the benefits Albertans receive from their natural resources and public lands.

GOAL ONE **1**

### Alberta's public lands, including rangelands and shore lands, are healthy, productive and sustainable

**What it means** Alberta's public lands are managed to optimize and sustain their current and long-term economic, environmental and social values. They are managed through sound decisions that balance multiple uses including: energy development, forest operations, grazing, recreation and others.

**Strategies**

1.1 Complete the Land-use Framework for the province to address conflicts over competing use of land and provide a vision for an integrated sustainable land-use approach that balances economic, environmental and social concerns.

1.2 Manage public lands in a manner that integrates and balances a diversity of uses and natural resource values.

1.3 Provide legislative and land management frameworks that enable sustainable use and development of public land to optimize the benefits Albertans receive from this resource.

1.4 Develop and implement policies, guidelines and practices that minimize the footprint of industrial, commercial and public activity on public land.

1.5 Ensure land decisions are made in a timely, effective manner, with appropriate and relevant conditions.

1.6 Monitor existing land dispositions for compliance with relevant conditions and legislation to ensure sustainable development and environmental protection.

1.7 Support sustainable land management practices and decisions through coordinated inventories, knowledge transfer and applied research programs.

1.8 Offer long-term, secure public rangeland grazing that promotes sustainable resource management.

1.9 Work with agricultural disposition holders to assess, strengthen and sustain riparian* zone health.

1.10 Consult with First Nations regarding land use and authorizations for oil and gas activities that have the potential to adversely impact First Nations rights and traditional use of Crown lands.

* The riparian zone is the interface between land and a surface water body.

| Performance Measures | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 1.a **Timely, Efficient Disposition Decisions** | | | | |
| • Average number of working days for completing industrial dispositions | 21.6 | <20 | <20 | <20 |
| • Average number of working days for completing geophysical approvals | 7.1 | <10 | <10 | <10 |
| 1.b **Public Rangeland Allocation** Animal unit months[1] allocated (millions) | 1.7 | 1.6 | 1.6 | 1.6 |
| 1.c **Rangeland Sustainability** Percentage of rangeland leases in good standing | 92% | 90% | 90% | 90% |

**Note:**

[1] An animal unit month is defined as the amount of forage required to feed one animal unit (one cow with calf at side) for 30 days. This amount is approximately 1,000 pounds of forage dry matter.

## Core Business Two: Forests

The Ministry provides leadership and guidance to ensure the multiple benefits received from the province's forests are realized by using the best possible forest management, wildfire management and forest industry practices.

## GOAL TWO 2 Alberta's forests and forest communities are protected from wildfires

**What it means** By managing wildfires, the Ministry protects the multiple benefits received from forests within the Forest Protection Area of the province. The Forest Protection Area is the area in which the Ministry has the legislated mandate to manage, suppress and control wildfires. Wildfires are managed by: working cooperatively with municipalities, industry, and other stakeholders; supporting outreach programs that promote responsible forest management; and using the best possible science and technology to prevent and suppress wildfires.

**Strategies**

2.1 Provide a preparedness framework that enables the province to respond to wildfires in the province's Forest Protection Area. Key elements of the framework include effective policies, readiness, training, prevention, detection and early response.

2.2 Reduce the risk and damage caused by wildfires by incorporating FireSmart* practices and principles in cooperation with the public, industry and local governments.

2.3 Respond to wildfires through a management regime that quickly contains and suppresses wildfires within the Forest Protection Area to minimize related losses.

2.4 Encourage wildfire prevention in Alberta's forests through information, education, outreach and monitoring.

2.5 Consult with First Nations regarding wildfire management activities that have the potential to adversely impact First Nations rights and traditional use of Crown lands.

* FireSmart is a program that provides Albertans with information to protect themselves, their property and the forest from wildfire.

| Performance Measures | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 2.a **Detection** | | | | |
| Detected wildfires reported within five minutes[1]: | | | | |
| • By Lookout | 97% | 90% | 90% | 90% |
| • By Air | 99% | 90% | 90% | 90% |
| 2.b **Response** Wildfires actioned before they reach 2.0 hectares in size[1] | 92% | 90% | 90% | 90% |
| 2.c **Containment and Suppression** Wildfires contained within the first burning period[2] | 98% | 85% | 85% | 85% |

**Notes:**

1 Performance data is based on wildfires occurring between April 1 and October 31 in the Forest Protection Area.

2 *First burning period* means contained by 10 a.m. the day following when first reported.

## GOAL THREE 3 Alberta's forests and forest landscapes support healthy ecosystems and vibrant communities

**What it means** The multiple benefits received from the province's forests and forest landscapes are protected by managing forests effectively and protecting their health; using leading policy, regulation, legislation and science; collaborating with stakeholders; and supporting education and outreach programs that promote responsible use.

**Strategies**

3.1 Manage Alberta's forests and forest landscapes through a policy, legislative, consultation and regulatory framework that optimizes the benefits Albertans receive from forests and forest lands.

3.2 Implement aggressive actions in Alberta's forests to manage infestations of disease, weed pests and insects such as the mountain pine beetle, in cooperation with industry and municipal and federal governments.

3.3 Sustain Alberta's forests through adaptive forest management planning and practices by government and industry, along with appropriate compliance, assurance and reporting mechanisms.

3.4 Encourage leading practices in stewardship in Alberta's forests through information, education, outreach and monitoring.

3.5 Support efforts to increase the knowledge and research capacity required to expand opportunities for value-added processing.

3.6 Ensure Albertans receive a fair return consistent with the resource's value for use of fibre produced on forested public lands.

3.7 Consult with First Nations regarding forest management activities and authorizations for timber harvesting that have the potential to adversely impact First Nations rights and traditional use of Crown lands.

| **Performance Measures** | **Last Actual (2005-06)** | **Target 2007-08** | **Target 2008-09** | **Target 2009-10** |
|---|---|---|---|---|
| 3.a **Timber Allocation**[1] | | | | |
| • Annual allowable cut (in million cubic metres) | 24 | | Harvest does not exceed annual allowable cut | |
| • Harvest (in million cubic metres) | 20 | | | |

**Note:**

1 Data for this measure is calculated as a five-year rolling average based on the timber year (May to April).

A measure of reforestation rate in harvested areas was introduced in 2005-08 following a preliminary review of sample data. During collection of 2005-06 actual results, the Ministry determined that additional work was needed to confirm the integrity of the data. This work is ongoing and results and targets will not be published until it is concluded.

## Core Business Three: Fish and Wildlife

The Ministry manages fish and wildlife species based on the best available science and integrated decision-making processes. The sound stewardship of fish and wildlife resources facilitates consumptive (fishing and hunting) and non-consumptive recreation opportunities compatible with healthy, diverse fish and wildlife populations.

### GOAL FOUR 4 Alberta's fish and wildlife resources and their habitats are healthy, productive and sustainable

**What it means** Alberta's fish and wildlife resources and natural communities are conserved, restored and enhanced for the benefit of current and future generations through a comprehensive set of strategies for Alberta's aquatic and terrestrial environments.

**Strategies**

4.1 Manage fish and wildlife through a policy and legislative framework that optimizes the benefits Albertans receive from these resources.

4.2 Encourage leading practices in habitat conservation through expanded partnerships with conservation agencies, industry, government and academia.

4.3 Develop and implement fish and wildlife management plans and species-at-risk initiatives.

4.4 Maintain high levels of compliance with and ensure timely and effective responses to contravention of fish and wildlife legislation by delivering appropriate public education and outreach programs, providing prevention and enforcement programs, and monitoring the use of fish and wildlife resources.

4.5 Minimize adverse human-wildlife interactions that result in threats to human safety or property damage by providing assistance and information to landowners and the general public.

4.6 Detect, diminish and manage threats from wildlife diseases and invasive alien species through collaboration with appropriate stakeholders.

4.7 Implement Water for Life: Alberta's Strategy for Sustainability by establishing place-based objectives and priorities that sustain and protect healthy aquatic ecosystems, in coordination with other Government of Alberta ministries.

4.8 Work with the Alberta Conservation Association to develop a yearly strategic plan based on confirmed work priorities.

4.9 Identify and initiate critical actions to develop a biodiversity strategy (e.g., planning, delivery and monitoring).

4.10 Consult with First Nations regarding fish and wildlife management changes that have the potential to adversely impact First Nations rights and traditional use of Crown lands.

| Performance Measures | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 4.a **Healthy Sustainable Wildlife Populations** Percentage of Species at Risk | 2.2% | <5% | <5% | <5% |
| 4.b **Benefits from Wild Species** Percentage of Albertans who reported watching and enjoying wildlife | 41%[1] | >40% | >40% | >40% |

**Note:**

[1] Focus Alberta 2005 survey

## Core Business Four: Quasi-judicial Land-use and Compensation Decisions

Reporting to the Minister of Sustainable Resource Development, the Ministry's three quasi-judicial boards make their decisions independently, in accordance with their own governing legislation. **The Natural Resources Conservation Board** conducts independent public reviews of major, non-energy, natural resource projects and also regulates new or expanding confined feeding operations. The **Surface Rights Board** conducts hearings when operators and landowners or occupants fail to agree on entry or compensation related to resource activity on privately owned lands or occupied public lands. The **Land Compensation Board** establishes compensation when private land is expropriated by a public authority for projects in the public interest.

### GOAL FIVE 5 Albertans have access to timely, quasi-judicial processes that consider the collective and individual benefits derived from Alberta's natural resources

**What it means** Albertans receive fair and timely hearings from administrative tribunals on disputes involving land-use issues.

**Strategies**

5.1 Provide opportunities for all Albertans to participate in and understand review and hearing procedures.

5.2 Encourage the use of alternative dispute resolution where appropriate.

5.3 Deliver timely and effective reviews and hearings, and ensure the resulting documents and reports are issued in a timely manner.

| Performance Measure | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 5.a **Timeliness of decision processes** Percentage of decisions issued within established timelines[1]:<br>• Reviews under the *Natural Resources Conservation Board Act* | 100%[2] | 100% | 100% | 100% |

**Notes:**

1 New methodology will be applied to develop a timeliness measure in each of the three boards. Each board will establish a benchmark for assessing the efficiency of its decision processes and collect the necessary data throughout the year. The format was changed to emphasize the importance each board places on meeting the needs of Albertans by delivering an efficient and effective process for adjudicating land-use conflicts. Timelines are being reviewed for issuing decisions on confined feeding operations under the *Agriculture Operations Practices Act*. Timelines are also being reviewed for issuing Surface Rights Board and Land Compensation Board decisions.

2 In 2005-06, the target for issuing decisions on *Natural Resources Conservation Board Act* reviews was 80 days.

## EXPENSE BY CORE BUSINESS

(thousands of dollars)

| | Comparable | | | | | |
|---|---|---|---|---|---|---|
| | 2005-06 Actual | 2006-07 Budget | 2006-07 Forecast | 2007-08 Estimate | 2008-09 Target | 2009-10 Target |
| Lands | 48,498 | 58,976 | 57,868 | 63,286 | 63,457 | 63,356 |
| Forests | 198,866 | 117,290 | 365,965 | 218,646 | 170,756 | 172,587 |
| Fish and Wildlife | 48,842 | 52,195 | 52,731 | 61,336 | 60,421 | 63,114 |
| Quasi-judicial Land-use and Compensation Decisions | 9,040 | 9,077 | 9,077 | 9,359 | 9,629 | 9,849 |
| Environment Statutory Programs | 3,457 | 3,725 | 3,725 | 3,775 | 2,675 | 2,675 |
| **MINISTRY EXPENSE** | 308,703 | 241,263 | 489,366 | 356,402 | 306,938 | 311,581 |

# MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

| | Comparable | | | | | |
|---|---|---|---|---|---|---|
| | 2005-06 Actual | 2006-07 Budget | 2006-07 Forecast | 2007-08 Estimate | 2008-09 Target | 2009-10 Target |
| **REVENUE** | | | | | | |
| Transfers from Government of Canada | 5,241 | 4,093 | 22,477 | 56,113 | 44,513 | 5,513 |
| Investment Income | 3,721 | 2,625 | 2,625 | 2,625 | 2,625 | 2,625 |
| Premiums, Fees and Licences | 153,495 | 148,960 | 114,490 | 108,625 | 112,225 | 117,525 |
| Other Revenue | 19,073 | 5,198 | 5,327 | 4,098 | 4,098 | 4,098 |
| **MINISTRY REVENUE** | 181,530 | 160,876 | 144,919 | 171,461 | 163,461 | 129,761 |
| **EXPENSE** | | | | | | |
| **Program** | | | | | | |
| Forestry | 192,811 | 112,005 | 358,008 | 211,846 | 164,395 | 166,114 |
| Lands | 47,495 | 56,282 | 56,610 | 61,318 | 61,093 | 60,980 |
| Fish and Wildlife | 47,305 | 49,812 | 51,584 | 59,428 | 58,170 | 60,747 |
| Quasi-judicial Land-use and Compensation Decisions | 9,040 | 9,077 | 9,077 | 9,359 | 9,629 | 9,849 |
| Ministry Support Services | 7,377 | 9,307 | 9,307 | 9,621 | 9,921 | 10,161 |
| Environment Statutory Programs | 3,457 | 3,725 | 3,725 | 3,775 | 2,675 | 2,675 |
| Valuation Adjustments and Other Provisions | 1,218 | 1,055 | 1,055 | 1,055 | 1,055 | 1,055 |
| **MINISTRY EXPENSE** | 308,703 | 241,263 | 489,366 | 356,402 | 306,938 | 311,581 |
| Gain (Loss) on Disposal and Write Down of Capital Assets | 1,984 | 4,000 | 4,000 | 4,000 | 4,000 | 4,000 |
| **NET OPERATING RESULT** | (125,189) | (76,387) | (340,447) | (180,941) | (139,477) | (177,820) |

# CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

| | Comparable | | | | | |
|---|---|---|---|---|---|---|
| | 2005-06 Actual | 2006-07 Budget | 2006-07 Forecast | 2007-08 Estimate | 2008-09 Target | 2009-10 Target |
| Ministry Revenue | 181,530 | 160,876 | 144,919 | 171,461 | 163,461 | 129,761 |
| *Inter-ministry consolidation adjustments* | (255) | - | - | - | - | - |
| **Consolidated Revenue** | 181,275 | 160,876 | 144,919 | 171,461 | 163,461 | 129,761 |
| Ministry Expense | 308,703 | 241,263 | 489,366 | 356,402 | 306,938 | 311,581 |
| *Inter-ministry consolidation adjustments* | (3,712) | (3,725) | (3,725) | (3,775) | (2,675) | (2,675) |
| **Consolidated Expense** | **304,991** | **237,538** | **485,641** | **352,627** | **304,263** | **308,906** |
| Gain (Loss) on Disposal and Write Down of Capital Assets | 1,984 | 4,000 | 4,000 | 4,000 | 4,000 | 4,000 |
| **CONSOLIDATED NET OPERATING RESULT** | (121,732) | (72,662) | (336,722) | (177,166) | (136,802) | (175,145) |

# CAPITAL INVESTMENT BY PROGRAM

(thousands of dollars)

| | Comparable | | | | | |
|---|---|---|---|---|---|---|
| | 2005-06 Actual | 2006-07 Budget | 2006-07 Forecast | 2007-08 Estimate | 2008-09 Target | 2009-10 Target |
| Forestry | 12,954 | 37,053 | 38,053 | 30,053 | 27,053 | 13,653 |
| Lands | 1,918 | 1,102 | 1,102 | 1,102 | 1,102 | 1,702 |
| Fish and Wildlife | 1,010 | 782 | 782 | 782 | 782 | 1,382 |
| Quasi-judicial Land-use and Compensation Decisions | 33 | 17 | 17 | 17 | 17 | 17 |
| Ministry Support Services | 43 | 40 | 40 | 40 | 40 | 40 |
| **MINISTRY CAPITAL INVESTMENT** | 15,958 | 38,994 | 39,994 | 31,994 | 28,994 | 16,794 |

# Tourism, Parks, Recreation and Culture

BUSINESS PLAN 2007-10

## ACCOUNTABILITY STATEMENT

The business plan for the three years commencing April 1, 2007 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as of March 26, 2007 with material economic or fiscal implications of which I am aware have been considered in preparing the business plan.

The Ministry's priorities outlined in the business plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this business plan.

Hector Goudreau, *Minister of Tourism, Parks, Recreation and Culture*
March 28, 2007

## THE MINISTRY

Tourism, Parks, Recreation and Culture provides a diverse range of programs that support a high quality of life for Albertans, and makes Alberta an attractive tourism destination. The preservation of Alberta's natural heritage and historical resources is realized through a network of provincial parks and protected areas, the Provincial Archives of Alberta and world renowned museums and historic sites that are enjoyed by millions of visitors each year. The Ministry supports the development and marketing of these and other tourism destinations. Quality of life is promoted through programs that provide financial support for community enhancement and that support the non-profit/voluntary sector, sport and recreation, the arts, film and heritage. Albertans also benefit from human rights legislation that promotes fairness and full participation in the social, economic and cultural life of the province.

The Ministry includes the Department, which consists of the following divisions: Tourism, Marketing and Heritage; Parks, Conservation, Recreation and Sport; Cultural and Community Development; and Ministry Support Services. The Ministry also includes the Alberta Human Rights and Citizenship Commission, the Francophone Secretariat and the following reporting entities:

- Alberta Foundation for the Arts
- Alberta Historical Resources Foundation
- Alberta Sport, Recreation, Parks and Wildlife Foundation
- Government House Foundation
- Historic Resources Fund
- Human Rights, Citizenship and Multiculturalism Education Fund
- Wild Rose Foundation

The essential elements of each of these entities' strategic plans are integrated within this consolidated Ministry business plan.

## VISION

*A superior quality of life that makes Alberta one of the best places to live, work and visit.*

## MISSION

To promote, develop and preserve Alberta's tourism, culture and heritage in support of vibrant, active and inclusive communities.

## CLIENTS AND STAKEHOLDERS

The Ministry's key clients are the residents of communities across Alberta as well as domestic and international tourists and tourism operators. Services are provided to the visitors of provincial parks, recreation areas, historic sites, museums, interpretive centres, other tourism destinations, the Provincial Archives of Alberta and the Jubilee Auditoria. Tourism, Parks, Recreation and Culture also has a broad range of stakeholders who work closely with the Ministry to help realize its mandate. These include:

- Municipal, provincial, national and international governments
- Cooperating (friends) societies and Minister's advisory committees
- Heritage, non-profit, human rights, diversity, multiculturalism, sport, recreation and arts organizations
- Aboriginal and francophone communities and organizations
- Universities and colleges
- Business sector
- Tourism industry

# LINK TO THE GOVERNMENT OF ALBERTA STRATEGIC BUSINESS PLAN

| Government of Alberta Goals | Ministry Services |
|---|---|
| **Goal 1:** Alberta will have a prosperous economy | • Attracting and retaining knowledge workers by enhancing Alberta's reputation as a sophisticated, modern province with a thriving cultural sector in urban and rural Alberta.<br>• Marketing and promoting Alberta as an attractive tourism destination and location for film and television production.<br>• Facilitating the development of tourism products and the tourism and film industries.<br>• Increasing tourist visitation and expenditures.<br>• Providing grants to assist Alberta's First Nations with economic, social and community development projects. |
| **Goal 7:** Alberta will be a safe place to live, work and raise families | • Preventing discrimination and promoting the benefits of diversity and multiculturalism through developing policies, resolving and adjudicating human rights complaints and promoting understanding of Alberta's human rights legislation through awareness initiatives and educational resources. |
| **Goal 8**: Albertans will have the opportunity to enjoy the province's natural, historical and cultural resources | • Managing, preserving and promoting a network of provincial parks and protected areas that represents the diversity of the province's natural heritage.<br>• Operating a network of provincial heritage facilities and preserving cultural and natural resources of significance to Alberta.<br>• Acquiring and preserving significant private and government records and making them available for research and interpretive purposes.<br>• Supporting the non-profit/voluntary sector, sport, recreation, the arts, film, project-based community initiatives and public-use facilities.<br>• Supporting francophone organizations, communities and individuals in maintaining and promoting French language and culture for the benefit of all Albertans. |

**Priority Government Strategies**

The Ministry's Business Plan directly supports two strategies in the Government of Alberta Strategic Business Plan that will be focused on by government over the next 12 months. Specifically, the Ministry has been mandated to support the Government Priority to Improve Albertans' Quality of Life by developing a Community Spirit Program for Charitable Giving and a Community Spirit Fund. Additionally, Tourism, Parks, Recreation and Culture is supporting the Government Priority to Manage Growth Pressures by cooperating with other ministries to develop a provincial Land-use Framework.

# SIGNIFICANT OPPORTUNITIES AND CHALLENGES

Albertans value culture and embrace a broad definition that encompasses Alberta's cultural, historical and natural heritage. The Ministry has renewed its commitment to shaping the growth and development of culture in Alberta in order to foster a culturally vibrant province that will enhance quality of life for all Albertans and attract the creative and skilled knowledge workers Alberta needs to ensure its continued economic prosperity. As part of this process the Ministry will strengthen connections to other governments, ministries, agencies and organizations in the community to enhance understanding of culture and its importance in shaping public policy and program development. Service expectations pertaining to cultural programs are influenced by population growth, changing demographics and an increasing desire by Albertans to have a high quality of life that is associated with a thriving economy; 87 per cent of adult Albertans feel the arts are important in contributing to the overall quality of life in their communities.

Society is becoming increasingly aware of the importance of healthy and active lifestyles in preventing disease and obesity. It is imperative that communities have the capacity to offer a diverse range of physical and social leisure activities in order to encourage active living and to attract and retain residents. This is a particular challenge for smaller rural communities where partnerships may be required to ensure resources are available in each region of the province.

Quality of life is also realized through the enjoyment of Alberta's natural landscape. Over 8.5 million people visit provincial parks and recreation areas each year. Visitors are keen to have accessible and affordable nature-based recreational opportunities while benefiting from educational activities that enhance their understanding of Alberta's natural heritage and conservation initiatives. To keep pace with population growth and high visitation rates, new provincial parks and recreation areas that provide additional outdoor recreation opportunities, facilities and services need to be pursued while repairing, upgrading and maintaining existing infrastructure to ensure a safe and enjoyable visitor experience. Opportunities to enjoy these provincial parks and recreation areas must be balanced against the need to protect and preserve Alberta's unique natural heritage. Additionally, Alberta's community public-use facilities are aging and require a significant investment. For example, 77 per cent of sport and recreation facilities in Alberta are more than 25 years old, and the construction and manpower costs associated with renewing these facilities are continually increasing.

The conservation of historic places across Alberta contributes significantly to quality of life and a sense of community. Continuous collaboration with industry is necessary to ensure that significant heritage sites are not harmed by development. In our successful economic environment, the large number of development projects poses considerable challenges to this effort. It is also important to communicate with Aboriginal communities to ensure that their concerns are considered.

New technologies provide opportunities to enhance and deliver Ministry programs and services. Presentation of Alberta's history by enabling access to historical resources through the Internet and expanding the delivery of educational programming in heritage facilities via video conferencing are current examples. As well, there continues to be increasingly high expectations for contemporary and interactive exhibits and services at provincial historic sites, museums and interpretive centres, which attract an average of 900,000 visits annually.

Alberta is a world-class tourism destination attracting visitors from across Canada and beyond. Rising demand for tourism experiences including Aboriginal, agri- and eco-tourism creates diverse opportunities for the province. Rural areas in the province, such as the Canadian Badlands, continue to develop as new tourism destinations and are becoming increasingly appealing to visitors from around the world. It is also important to continue to develop and expand the film and television industry to promote Alberta as a desirable place to live, work and visit.

Alberta's French-speaking community is the fastest growing outside Quebec, due in part to interprovincial migration and immigration. There is an opportunity for government to build on existing services by developing practical approaches in partnership with the francophone community.

Quality of life must also include equal opportunity for Albertans to earn a living, find a place to live and enjoy services without experiencing racism or discrimination. Given Alberta's growing and increasingly diverse population and the growing complexity of human rights issues, there is a need to enhance programs and services to protect Albertans from discrimination and to contribute to a more inclusive and respectful society where all can enjoy the benefits of living in Alberta.

## STRATEGIC PRIORITIES 2007-10

The strategic priorities described below have been identified through the Ministry's review of environmental factors, including our external and internal opportunities and challenges. These are in addition to the important ongoing core activities of the Ministry and are of primary importance in focusing the Ministry on achieving its goals:

### GOVERNMENT PRIORITY – IMPROVE ALBERTANS' QUALITY OF LIFE

| | |
|---|---|
| **1. Infrastructure Renewal**<br>**Linkage: Goals 1, 2, 4, 5 and 6** | Renew infrastructure for provincial parks and recreation areas, Travel Alberta visitor information centres, community public-use facilities, historic sites, museums and interpretive centres in order to expand capacity to address Alberta's growing population and repair or replace aging and deteriorating facilities. This includes the Minister's mandated priority to develop a plan for provincial parks and recreation areas to accommodate population growth and improve quality of life opportunities. Additional priorities include upgrading water and sewage systems in provincial parks and recreation areas as part of the Water for Life strategy, renewing the Royal Alberta Museum, modernizing exhibits and developing collections to reflect new areas of interest. |
| **2. Building a Culturally Vibrant Province**<br>**Linkage: Goals 1, 2, 5 and 6** | Lead the development of a culture policy encompassing Alberta's cultural, historical and natural heritage. This will be furthered by working with other ministries, agencies and communities to realize the importance of culture in shaping public policy and program development. Community resources will be strengthened with an emphasis on sport, recreation and the arts. This includes addressing recommendations from the Alberta Sport Plan and the renewed Alberta Active Living Strategy, and implementing the Canada-Alberta Agreement on French Language Services. |
| **3. Community Spirit Program and Fund**<br>**Linkage: Goal 5** | Based on input received from Albertans and recommendations from an MLA committee, develop a Community Spirit Program for Charitable Giving to support increases for private charitable donations through tax credits, and establish a Community Spirit Fund to provide matching grants for eligible philanthropic donations to Alberta-based registered charities. |
| **4. Inclusive Communities**<br>**Linkage: Goal 7** | Foster equality, reduce discrimination and barriers to full participation in society and help build welcoming and inclusive communities and workplaces. This will be furthered by promoting more inclusive workplaces and emphasizing the inclusion and integration of immigrants and ethno-cultural and racial groups. |

### GOVERNMENT PRIORITY – MANAGE GROWTH PRESSURES

| | |
|---|---|
| **5. Provincial Land-use Framework**<br>**Linkage: Goals 1 and 6** | Participate in the development of a comprehensive Provincial Land-use Framework to address conflicts over competing use of land and provide a vision for an integrated sustainable land use approach that balances economic, environmental and social concerns. A vital component of this framework will be an approach to landscape management that includes preservation of our natural and cultural heritage. |

### GOVERNMENT PRIORITY – BUILD A STRONGER ALBERTA

**6. Tourism Development and Marketing**

**Linkage: Goals 3 and 4**

Market Alberta as an attractive travel destination. Increased funding generated through the tourism levy will result in a greater presence for Alberta in international markets and strengthen the Ministry's efforts to facilitate the development of marketable tourism products and new travel destinations in both urban and rural Alberta.

## GUIDING VALUES AND PRINCIPLES

The Ministry is guided by the following shared values of the Alberta Public Service:

| | |
|---|---|
| **Respect:** | We foster an environment in which each individual is valued and heard. |
| **Accountability:** | We are responsible for our actions and for contributing to the effectiveness of the public service. |
| **Integrity:** | We behave ethically and are open, honest and fair. |
| **Excellence:** | We use innovation and continuous improvement to achieve excellence. |

Embracing these values ensures a common understanding of what we do, how we do it and where we are headed.

## CORE BUSINESSES, GOALS, STRATEGIES & PERFORMANCE MEASURES

The Ministry is committed to a process of strategic planning that includes an ongoing review of the relevance of all core businesses, goals, strategies and performance measures, and the evaluation of results achieved, in order to improve performance and support informed decision-making.

The Ministry's core businesses are linked to goals that reflect the desired results of programs and services delivered by the Ministry. Specific strategies outline how the Ministry aims to achieve each goal. Success in achieving these goals is measured through a range of performance measures. Targets for the measures are intended to be challenging and attainable and are based on historical performance and expected future conditions.

### Core Business One: Manage Alberta's provincial parks and protected areas and promote recreational and sport opportunities

GOAL ONE

### 1 Provincial parks and protected areas preserve Alberta's natural heritage and provide opportunities for outdoor recreation and tourism

**What it means**

- Managing Alberta's 504 provincial parks and protected areas, which enhance Albertans' quality of life and the overall environmental quality of the province.
- Preserving the province's natural heritage – the natural landscapes and features, ecosystems and ecological processes, biological diversity and the related cultural attributes that those landscapes and features include – and biodiversity by protecting more than 27,000 square kilometres of the province as a legacy for future generations.
- Providing opportunities for nature-based outdoor recreation, education and tourism.
- Promoting lifelong learning and stewardship through an emphasis on interpretation and environmental education that fosters an appreciation and understanding of Alberta's natural heritage and conservation.

- Operating the province's biodiversity database, the Alberta Natural Heritage Information Centre, which generates knowledge regarding the province's natural heritage and biodiversity and supports land use decisions.
- Keeping Alberta's provincial parks and recreation areas safe and enjoyable.
- Providing opportunities for volunteer involvement to enhance services and research.
- Selecting private sector contractors to operate facilities and provide services in designated parks, and monitoring their performance.
- Managing land and facilities donated to the Alberta Sport, Recreation, Parks and Wildlife Foundation.

**Strategies**

1.1 Develop a comprehensive plan for provincial parks and recreation areas to accommodate population growth and improve quality of life opportunities.

1.2 Repair, upgrade and sustain facilities and infrastructure in Alberta's provincial parks and major recreation areas to ensure public health, safety and enjoyment, including the provision of a safe and secure drinking water supply as part of the Water for Life strategy.

1.3 Increase public awareness and appreciation of Alberta's provincial parks and protected areas and their contribution to the economy and quality of life through innovative education, interpretation, marketing and public information services.

1.4 Complete management plans for priority parks and protected areas to provide day-to-day and long-term guidance in decision-making for these areas.

1.5 Participate in the development of a provincial Land-use Framework to address conflicts over competing use of land and provide a vision for an integrated sustainable land use approach that balances economic, environmental and social concerns.

1.6 Develop a research strategy to enhance scientific knowledge needed to support the preservation of Alberta's natural heritage and management of Alberta's provincial parks and protected areas.

1.7 Commemorate the 75th anniversary of Alberta's provincial parks through hosting special events and activities across the province.

| Performance Measure | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 1.a Visitor satisfaction with experiences at provincial parks and recreation areas | 91.1% | 92% | 92% | 92% |

## GOAL TWO 2 Albertans participate in sport and recreation and lead active lifestyles

**What it means**

- Promoting participation in sport, recreation and physical activity in communities, schools and workplaces.
- Working with local, provincial, national and international agencies to support athletic achievements.
- Supporting and facilitating involvement in sport at the international, interprovincial, provincial and community levels.
- Providing financial support to provincial sport and recreation associations, communities, community organizations and individuals.

**Strategies**

2.1 Further recommendations in the renewed Alberta Active Living Strategy to encourage active, healthy lifestyles by developing and maintaining partnerships with communities and organizations and by supporting active living opportunities.

2.2 Address recommendations in the Alberta Sport Plan to support volunteer sport organizations, leadership development, athletic excellence, access to programs and safe recreation infrastructure.

2.3 Encourage participation of Albertans in the 2010 Olympic Winter Games through supporting athletes, coaches, officials and facility development.

2.4 Further programs and services aimed at achieving the goal of federal/provincial/territorial ministers responsible for sport, physical activity and recreation to increase physical activity levels in Alberta by 10 per cent by 2010.

| Performance Measure | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 2.a Participation in sport and recreational activities by adult Albertans | 82.4% | 83% | 84% | 84% |

## Core Business Two: Facilitate tourism marketing, development and film investment

GOAL THREE **3**

### Increased growth and expansion of marketable tourism products

**What it means**

- Facilitating the development of tourism products and the tourism industry.
- Working with all levels of government and industry stakeholders to increase awareness of the economic significance of tourism to provincial and local economies.
- Providing advisory services, expertise and information to existing tourism operators, start-up operations and stakeholders to facilitate the development and improvement of Alberta's private and public sector tourism products and assets.
- Undertaking research, representing tourism industry interests in policy and planning initiatives, and providing information to industry that helps to position new and enhanced tourism products in Alberta.

**Strategies**

3.1 Work with industry and stakeholders to reduce impediments to tourism growth and ensure a policy and regulatory environment that is supportive of tourism development.

3.2 Investigate opportunities for private sector tourism business development in conjunction with provincial parks/recreation areas and historical sites that are compatible with the size and management intent of the site or facility.

3.3 Facilitate and attract investor/entrepreneur interest and investment in Alberta's tourism industry.

3.4 Support the expansion of the tourism industry through development of new and enhanced destinations and products particularly in rural areas (including the Canadian Badlands, Tracking Alberta Dinosaurs, heritage tourism, experience-based tourism, sport tourism, learning/enrichment tourism, Aboriginal tourism and film tourism).

| Performance Measure | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 3.a Per cent of tourism industry clients satisfied with services related to tourism development | 72.2% | 72% | 75% | 75% |

## GOAL FOUR 4 Increased tourism visitation in targeted domestic and international markets, and promotion of film and television production

**What it means**

- Developing and implementing marketing programs that heighten awareness of Alberta as an attractive tourism destination.
- Expanding the marketing capacity of Alberta industry operators by collecting and disseminating tourism data and market intelligence to the tourism industry.
- Influencing travel behaviour through information dissemination and travel counselling through the Travel Alberta Contact Centre and visitor information centres, community visitor information centres and through Travel Alberta websites.
- Supporting growth, sustainability and investment in the Alberta film and television industry.

**Strategies**

4.1 Develop and partner domestic and international marketing programs for Alberta through Travel Alberta that support the Strategic Tourism Marketing Plan, which outlines both domestic and international target markets and strategies to increase visitation, length of stay and expenditures in all regions of Alberta.

4.2 Deliver tourism marketing support services to influence travel behaviour through:

- Updating and repositioning of the Travel Alberta visitor information centres.
- Enhancement of the Tourism Information System to better support the Travel Alberta Contact Centre, visitor information centres, websites and publications.
- Continued improvements to support effective, customer-focused and user-friendly Travel Alberta websites.

4.3 Undertake strategic tourism research to assist industry decision making and provide other services, such as the Photo and Video Library, to the tourism industry.

4.4 Market Alberta's products, expertise, locations and financial incentives to the local, national and international motion picture industry.

4.5 Facilitate increased motion picture industry capacity in Alberta to support sustained industry development.

4.6 Provide comprehensive location and production services that help attract film and television production to Alberta.

4.7 Support Alberta's film production industry and competitiveness in motion picture production and investment by delivering the Alberta Film Development Program.

| Performance Measures | Last Actual (2005) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 4.a Total tourism expenditures ($billion)[1] | 5.1[2] | 5.6 | 5.9 | 6.2 |
| 4.b Effectiveness of Tourism Marketing: Total inquiries to Travel Alberta (million)[3] | 3.5 | 4.1 | 4.5 | 5.0 |
| 4.c Tourism information and counselling | | | | |
| • Per cent of clients satisfied with overall experience at Travel Alberta visitor information centres | 98% | 98% | 98% | 98% |
| • Per cent of clients satisfied with overall service received through the Travel Alberta Contact Centre | 98% | 85% | 87% | 90% |
| • Per cent of website visitors satisfied with their experience on the TravelAlberta.com website | 83% | 85% | 86% | 87% |

**Notes:**

1 Value of all tourism expenditures made by residents and non-residents in current dollars.

2 Revised to reflect updated international tourism data from Statistics Canada.

3 Visits to Travel Alberta websites, inquiries to the Travel Alberta Contact Centre and other methods of contact.

## Core Business Three: Promote Alberta's rich culture, including its arts and heritage

GOAL FIVE

5

### Cultural, community and voluntary activities are supported

**What it means**

- Promoting participation in, and fostering appreciation of, the arts through the Alberta Foundation for the Arts.
- Through the Northern and Southern Jubilee Auditoria, host international touring theatre companies and musicians and a wide variety of cultural and community events.
- Classifying films and promoting Alberta's film rating system to enable informed viewing choices.
- Serving as a liaison between the government and the francophone community in Alberta, representing and clarifying the needs of francophones within government, providing consultative support to over 30 francophone service organizations and supporting initiatives to promote French language and culture.
- Providing grants to improve Alberta's community public-use facilities (e.g., Community Facility Enhancement Program, First Nations Development Fund Grant Program and other grant programs).
- Providing board development, and recognizing and promoting the non-profit/voluntary sector through the Wild Rose Foundation.

**Strategies**

5.1 Develop a culture policy to promote Alberta's cultural, historical and natural heritage, and conduct a review to ensure the policy meets Albertans' needs.

5.2 Based on input received from Albertans and recommendations from an MLA Committee, develop a Community Spirit Program for Charitable Giving through tax credits and establish a Community Spirit Fund to provide matching grants for eligible philanthropic donations to Alberta-based registered charities.

5.3 Work with clients and stakeholders to foster sustainability of the arts by improving key programs and services such as the granting process.

5.4 Implement the new Major Community Facilities Grant Program to fund significant public-use capital projects.

5.5 Introduce a French language policy that supports Alberta's francophone community by pulling together existing elements of government initiatives relating to French culture and language, such as health care services, program services for French-speaking newcomers and early childhood development initiatives.

5.6 Foster closer cooperation between the government and the francophone community to address priority issues such as health care services in French, programs and services for French-speaking newcomers and early childhood development initiatives for francophones.

| **Performance Measures** | **Last Actual (2005-06)** | **Target 2007-08** | **Target 2008-09** | **Target 2009-10** |
|---|---|---|---|---|
| 5.a Level of community volunteerism by adult Albertans | 68.9% | 69% | 69% | 69% |
| 5.b Participation in arts activities or events by adult Albertans | 88.8% | 89% | 89% | 89% |
| 5.c Percentage of Community Initiatives Program/ Community Facilities Enhancement Program grant recipients who indicate the funding benefited their community | 96.5% | 96% | 97% | 97% |

GOAL SIX

## 6 Alberta's rich heritage is valued and the province's historical resources are preserved to enhance learning, research and tourism

**What it means**

- Managing a network of provincial heritage facilities that includes the Provincial Archives of Alberta, five major museums and 13 historic sites and interpretive centres.
- Managing Alberta's unique and irreplaceable historic legacy of over 10 million objects; more than two million maps, architectural drawings and photographs; almost 50,000 linear meters of archival documents; and over 110,000 hours of film, video and sound recordings.
- Protecting over 500 designated historic places and tens of thousands of archaeological and palaeontological sites and historic buildings.
- Regulating land-based development activities to preserve significant historical resources and ensure that heritage site management is included in industry operating procedures.
- Providing communities with advice and funding assistance for historical preservation and presentation through the Alberta Historical Resources Foundation.
- Promoting Alberta's provincial heritage facilities and delivering programs and exhibitions at provincial heritage facilities that educate and inform visitors and school groups.
- Maintaining an international reputation for original scholarly research on Alberta's past, which serves as the foundation for exhibitions and education programs, as well as publishing the results in scholarly journals and books.

**Strategies**

6.1 Renew the Royal Alberta Museum to create one of Canada's finest museums, capture Alberta's history and deliver an extraordinary visitor experience.

6.2 Improve service to the public by enabling electronic access to, and preservation of, Alberta's historical resources.

6.3 Develop and upgrade heritage exhibits and programs to enhance the visitor experience and to maximize learning for school children and visitors.

6.4 Prioritize and implement improvements to heritage and cultural facilities, including a review of existing facilities and collection storage.

6.5 Support the cross-ministry First Nations Consultation Policy on Land Management and Resource Development by collaborating with industry and First Nations to protect heritage sites and facilitate cooperation.

6.6 Encourage the protection of local historic places by assisting rural and urban municipalities with the development of municipal heritage resource management programs.

| Performance Measures | Last Actual (year) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 6.a Visitor satisfaction with experiences at provincial historic sites, museums and interpretive centres | 98.5% (2005-06) | 99% | 99% | 99% |
| 6.b Knowledge gained of Alberta history by visitors to provincial historic sites, museums and interpretive centres | 91.1% (2005-06) | 93% | 93% | 93% |
| 6.c Economic impact of provincial historic sites, museums and interpretive centres ($million): | | | | |
| • Value-added impact | 55.8 (2004-05) | 55[1] | 57[1] | 59 |
| • Taxation revenue returned to three levels of government | 22.5 (2004-05) | 21[1] | 22[1] | 23 |

**Note:**

1 Target adjusted due to the anticipated temporary closure of the Royal Alberta Museum beginning in 2007-08.

## Core Business Four: Protect human rights, promote diversity, fairness and access, and support the inclusion of all Albertans

### GOAL SEVEN 7 Albertans participate in the social, economic and cultural life of the province without discrimination

**What it means**

- Promoting understanding of Alberta's human rights legislation.
- Resolving and adjudicating human rights complaints.
- Providing education, information and consultative services that respond to human rights, equity, diversity and multiculturalism in the province.
- Providing financial support to community organizations and public institutions through the Human Rights, Citizenship and Multiculturalism Education Fund for initiatives that foster equality, reduce discrimination and contribute to the inclusion of all Albertans.
- Collaborating with other governments and organizations, and representing the province's international human rights responsibilities.

**Strategies**

7.1 Implement the priorities identified as a result of the stakeholder consultations regarding future directions for the Human Rights, Citizenship and Multiculturalism Education Fund to advance human rights, diversity and multiculturalism.

7.2 Develop and implement strategies that help build welcoming and inclusive communities and workplaces, particularly for immigrants and ethno-cultural and racial groups.

7.3 Launch the Alberta Human Rights and Citizenship Commission's new website to improve access to information on building inclusive workplaces and communities and preventing discrimination.

| Performance Measure | Last Actual (2005-06) | Target 2007-08 | Target 2008-09 | Target 2009-10 |
|---|---|---|---|---|
| 7.a Percentage of adult Albertans who believe human rights are well protected in Alberta | 86.7% | 87% | 88% | 89% |

## MINISTRY SUPPORT ACTIVITIES

In order to optimize the Ministry's performance, staff engage in the following support activities:

- Promoting accurate, concise and timely communication with our clients, stakeholders and the public.
- Maintaining and testing business continuity plans to ensure the Ministry is able to provide critical services, within a reasonable amount of time, in the event of an emergency or disaster.
- Reviewing our legislation on an ongoing basis to ensure it meets current needs.
- Providing strategic human resource management advice to support Ministry business goals, and professional human resource management services in the areas of staffing, classification, labour relations and occupational health and safety.
- Providing expertise and leadership in policy coordination, program evaluation, planning, performance measurement, contract and financial management, administration, risk and information/records management, as well as Freedom of Information and Protection of Privacy support to the Ministry.
- Optimizing our technology infrastructure and aligning with, and contributing to, Government of Alberta information and communication standards and initiatives.

# EXPENSE BY CORE BUSINESS

(thousands of dollars)

| | Comparable | | | | | |
|---|---|---|---|---|---|---|
| | 2005-06 Actual | 2006-07 Budget | 2006-07 Forecast | 2007-08 Estimate | 2008-09 Target | 2009-10 Target |
| Manage Alberta's provincial parks and protected areas and promote recreational and sport opportunities | 97,995 | 105,890 | 101,988 | 278,490 | 210,827 | 131,851 |
| Facilitate tourism marketing, development and film investment | 58,981 | 67,211 | 79,639 | 79,870 | 88,162 | 89,309 |
| Promote Alberta's rich culture, including its arts and heritage | 380,764 | 302,241 | 267,598 | 390,829 | 386,108 | 319,772 |
| Protect human rights, promote diversity, fairness and access, and support the inclusion of all Albertans | 5,913 | 6,413 | 6,432 | 7,126 | 7,395 | 7,750 |
| **MINISTRY EXPENSE** | 543,653 | 481,755 | 455,657 | 756,315 | 692,492 | 548,682 |

# MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

| | Comparable | | | | | |
|---|---|---|---|---|---|---|
| | 2005-06 Actual | 2006-07 Budget | 2006-07 Forecast | 2007-08 Estimate | 2008-09 Target | 2009-10 Target |
| **REVENUE** | | | | | | |
| Internal Government Transfers | 262,189 | 306,300 | 271,290 | 556,885 | 481,519 | 330,519 |
| Transfers from Government of Canada | 1,841 | 1,742 | 2,388 | 1,520 | 1,311 | 1,511 |
| Investment Income | 1,355 | 1,621 | 1,811 | 1,942 | 1,950 | 1,967 |
| Premiums, Fees and Licences | 8,768 | 9,385 | 10,069 | 10,264 | 10,344 | 10,544 |
| Other Revenue | 13,652 | 13,006 | 13,625 | 14,296 | 13,874 | 13,858 |
| **MINISTRY REVENUE** | 287,805 | 332,054 | 299,183 | 584,907 | 508,998 | 358,399 |
| **EXPENSE** | | | | | | |
| **Program** | | | | | | |
| Parks | 48,348 | 57,650 | 53,696 | 65,673 | 68,079 | 69,732 |
| Recreation and Sport | 24,781 | 24,755 | 24,740 | 119,159 | 48,913 | 38,054 |
| Tourism | 42,027 | 48,317 | 48,317 | 57,315 | 63,500 | 64,500 |
| Culture | 51,540 | 57,744 | 69,972 | 65,931 | 68,264 | 70,128 |
| Community Lottery Grants | 304,038 | 232,981 | 197,981 | 381,103 | 374,208 | 234,319 |
| Heritage | 39,243 | 41,243 | 41,916 | 47,395 | 48,827 | 50,312 |
| Human Rights and Citizenship | 5,515 | 5,990 | 6,015 | 6,731 | 6,982 | 7,307 |
| Ministry Support Services | 12,358 | 12,858 | 12,803 | 12,777 | 13,488 | 14,099 |
| Valuation Adjustments and Other Provisions | 15,803 | 217 | 217 | 231 | 231 | 231 |
| **MINISTRY EXPENSE** | 543,653 | 481,755 | 455,657 | 756,315 | 692,492 | 548,682 |
| Gain (Loss) on Disposal and Write Down of Capital Assets | (254) | 3,764 | (640) | 800 | 800 | 800 |
| **NET OPERATING RESULT** | (256,102) | (145,937) | (157,114) | (170,608) | (182,694) | (189,483) |

# CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

| | Comparable | | | | | |
|---|---|---|---|---|---|---|
| | 2005-06 Actual | 2006-07 Budget | 2006-07 Forecast | 2007-08 Estimate | 2008-09 Target | 2009-10 Target |
| Ministry Revenue | 287,805 | 332,054 | 299,183 | 584,907 | 508,998 | 358,399 |
| *Inter-ministry consolidation adjustments* | (262,189) | (306,300) | (271,290) | (556,885) | (481,519) | (330,519) |
| **Consolidated Revenue** | 25,616 | 25,754 | 27,893 | 28,022 | 27,479 | 27,880 |
| Ministry Expense | 543,653 | 481,755 | 455,657 | 756,315 | 692,492 | 548,682 |
| *Inter-ministry consolidation adjustments* | - | - | - | - | - | - |
| **Consolidated Expense** | **543,653** | **481,755** | **455,657** | **756,315** | **692,492** | **548,682** |
| Gain (Loss) on Disposal of Capital Assets | (254) | 3,764 | (640) | 800 | 800 | 800 |
| **CONSOLIDATED NET OPERATING RESULT** | (518,291) | (452,237) | (428,404) | (727,493) | (664,213) | (520,002) |

# CAPITAL INVESTMENT BY PROGRAM

(thousands of dollars)

| | Comparable | | | | | |
|---|---|---|---|---|---|---|
| | 2005-06 Actual | 2006-07 Budget | 2006-07 Forecast | 2007-08 Estimate | 2008-09 Target | 2009-10 Target |
| Parks | 38,822 | 23,982 | 35,076 | 20,482 | 17,982 | 17,982 |
| Recreation and Sport | - | - | 15 | - | - | - |
| Culture | 548 | 335 | 542 | 335 | 335 | 335 |
| Heritage | 1,912 | 1,585 | 2,274 | 2,330 | 2,330 | 2,330 |
| Ministry Support Services | 55 | 50 | 145 | 50 | 50 | 50 |
| **MINISTRY CAPITAL INVESTMENT** | 41,337 | 25,952 | 38,052 | 23,197 | 20,697 | 20,697 |

# Treasury Board

## BUSINESS PLAN 2007-10

## ACCOUNTABILITY STATEMENT

The business plan for the three years commencing April 1, 2007 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as of March 26, 2007 with material economic or fiscal implications of which I am aware have been considered in preparing the business plan.

The Ministry's priorities outlined in the business plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this business plan.

Lloyd Snelgrove, *President of the Treasury Board*
March 29, 2007

## THE MINISTRY

The Ministry of Treasury Board consists of the reporting entity, the Department of the Treasury Board and includes the following programs:

- Strategic Capital Planning is responsible for leading the government's capital planning process, preparing the Capital Plan and providing advice and analysis on planning, construction costs and capital spending.
- Alternative Capital Financing Office identifies and analyzes options for financing capital projects and negotiates Public-Private Partnerships (P3s), where feasible.
- Spending Management and Planning provides advice and recommendations on ministries' program budgeting and spending and on new spending proposals. This program also monitors ministries' activities to identify fiscal plan implications in conjunction with Finance, and finalizes the Government Estimates and ministry business plan volumes for publication.

- Office of the Controller is responsible for government accounting standards and financial reporting, financial management and control policies, enterprise risk management and performance planning and reporting.
- Corporate Internal Audit Services performs internal audits, on a risk prioritized basis, across the government aimed at identifying and recommending improvements to ministries' operations and fiscal management.
- Secretariat of Treasury Board provides the organizational and administrative support to Treasury Board Committee and, in conjunction with Executive Council, to Cabinet and Cabinet Policy Committees as well as strategic policy functions for the Ministry.
- Oil Sands Sustainable Development Secretariat provides the organizational and administrative support to the Oil Sands Ministerial Strategy Committee. The Secretariat works with other ministries and stakeholders to support the Committee's expanded role in the management of growth and development in oil sands areas and in the implementation of the government's response to the Oil Sands Ministerial Strategy Report.

## VISION

*An open, accountable and fiscally responsible government.*

## MISSION

The Ministry of Treasury Board, through its leadership, ensures disciplined spending and accountable financial management and policies in the interest of Albertans.

## VALUES

The Ministry is committed to working as a team and is guided by respect, accountability, integrity and excellence to work towards building a stronger province for current and future generations.

## LINK TO THE GOVERNMENT OF ALBERTA STRATEGIC BUSINESS PLAN

The Ministry of Treasury Board is established to provide a coordinated and disciplined approach to the management of government spending and capital planning. The Ministry of Treasury Board plays a key role in achieving Goal 4 in the Government of Alberta Strategic Business Plan: "Alberta will have a financially stable, open and accountable government and maintain its strong position nationally and internationally." Enhancing spending discipline and strengthening capital planning are critical to achieving this Goal. In addition, the Ministry of Treasury Board is responsible for developing and evaluating sound financial management practices and policies. Albertans are informed on how the government is addressing its responsibilities through open and accountable financial management and performance reporting.

The Ministry of Treasury Board also has a role in achieving Goal 9 in the Government of Alberta Strategic Business Plan: "Alberta will have strong and effective municipalities and self-reliant Aboriginal communities." The Ministry's focus in this Goal is responding to the recommendations from the Oil Sands Ministerial Strategy Committee on impacts of development in oil sands communities. The Oil Sands Sustainable Development Secretariat will work with municipalities and stakeholders to support and implement the recommendations in the Oil Sands Ministerial Strategy Report.

The Ministry plays a key role in addressing the following two of the five Government Priorities. The Ministry also has a supporting role, from a financial and accountability perspective, in all of the Government Priorities.

| Government of Alberta Priorities | Ministry of Treasury Board Strategies |
|---|---|
| **1. Govern with Integrity and Transparency** | • Contribute to a governance review to provide recommendations on how the Government of Alberta can improve the transparency, accountability and governance of its agencies, boards and commissions. |
| **2. Manage Growth Pressures** | • Develop a long-term Capital Plan that will address needs related to growth, ensure maintenance of existing infrastructure, explore options to fund capital projects and manage inflation in infrastructure costs.<br>• Implement a work plan to respond to the unique challenges and pressures related to the development of the oil sands. |

## SIGNIFICANT OPPORTUNITIES AND CHALLENGES

The Ministry of Treasury Board was established to provide a coordinated and disciplined approach to the management of government spending and capital planning. Key challenges and opportunities expected to influence the Ministry in the coming years include:

### Public Values and Stewardship:

Albertans expect the government to govern with integrity and transparency, to be fiscally responsible and to be accountable for results. The government has provided sound financial management and public performance reporting in the past. Albertans expect this to continue. In addition, Albertans expect ministries to work together in the stewardship of Alberta's financial resources by identifying cost-saving opportunities and sharing best practices.

### Implications of Prosperity and Population Growth:

Alberta's abundant natural resources provide the province with opportunities for a greater and more prosperous future. At the same time, Alberta's rapid growth has led to significant needs and public demands for increased program and infrastructure spending. Meeting these growth demands challenges the available supply of labour and materials, often leading to increased costs. In addition, adding new public facilities and expanding existing public facilities result in higher future operating costs. Government spending must be sustainable, taking into account the costs and availability of labor and materials.

### Sustainable Program Spending:

Ensuring program spending remains sustainable over the long-term is a challenge faced by all governments in Canada. Alberta's reliance on volatile natural resource revenues increases the risks that spending increases may not be sustainable. One of the challenges in developing a plan for managing growth in Alberta is ensuring that government spending required to address pressures in education, health care, infrastructure and other public services will be sustainable over the long term.

**Infrastructure Demands:**

A persistent challenge has been to balance the need for ongoing maintenance and rehabilitation of existing capital infrastructure with the need to invest in new infrastructure to accommodate population growth and economic development. The capital planning process needs to focus not only on providing new capital infrastructure but also on providing adequate maintenance and upgrades to preserve the province's existing capital infrastructure. The Government of Alberta must work with stakeholders to address infrastructure demands in a timely and affordable manner. The Ministry will continue to pursue new ways of providing cost effective infrastructure, such as Public-Private Partnerships (P3s) and other alternative financing opportunities.

## STRATEGIC PRIORITIES 2007-10

Through the Ministry's review of external and internal challenges, the strategic priorities described below have been identified. These are in addition to the important ongoing core activities of the Ministry.

### GOVERNMENT PRIORITY – GOVERN WITH INTEGRITY AND TRANSPARENCY

| | |
|---|---|
| **1. Establish Ministry**<br>**Linkage: Goals 1, 2, 3, 4 and 5** | • The Ministry of Treasury Board represents the consolidation of functions previously spread across several ministries plus new functionality. In its first year of operation, the Ministry's priority is to integrate these diverse responsibilities into a common focus and provide effective support to Treasury Board Committee and, in conjunction with Executive Council, support Cabinet and Cabinet Policy Committees. |
| **2. Enhance Spending Discipline**<br>**Linkage: Goal 1** | • Ensure the spending associated with the government's plan for managing growth is sustainable.<br>• Lead a review of government programs to identify opportunities for more effective spending.<br>• Integrate the capital planning process with program expense management and planning. |
| **3. Financial Accountability: Develop and Evaluate Sound Financial Management Practices and Policies**<br>**Linkage: Goals 3 and 4** | • Provide objective audit services to ministries regarding risk management, control and governance practices that improve government operations.<br>• Lead the ongoing development of government accounting standards and financial management policies. |
| **4. Financial Accountability: Provide Appropriate Information for Decision-Making**<br>**Linkage: Goals 1, 2, 3, 4 and 5** | • Provide advice to Treasury Board Committee, Cabinet and Cabinet Policy Committees on the management of government spending and capital planning.<br>• Inform Albertans on how the government is addressing its responsibilities through open and accountable financial management and performance reporting. |

### GOVERNMENT PRIORITY – MANAGE GROWTH PRESSURES

| | |
|---|---|
| **5. Strengthen Capital Planning**<br>**Linkage: Goal 2** | • Develop a long-term strategic Capital Plan that addresses needs related to growth, ensures the maintenance of existing infrastructure, explores options to fund capital projects, recommends strategies that mitigate the impact of inflation in infrastructure costs and ensures a more disciplined approach to the management and control of capital spending. |

6. **Alternative Financing for Capital Projects**

   **Linkage: Goal 2**

   - Collaborate with stakeholders and other jurisdictions (eg. British Columbia) to develop opportunities to pursue alternative financing options, such as Public-Private Partnerships, where cost effective and feasible.
   - Lead the ongoing development of alternative capital financing policy and implement options to deliver and manage capital projects.

7. **Manage Growth and Development in Oil Sands Areas**

   **Linkage: Goal 5**

   - Support the Oil Sands Ministerial Strategy Committee in its role of managing and coordinating infrastructure and services to support development in oil sands areas.
   - Develop a work plan and work with other ministries, industry, communities and other stakeholders to implement the government's response to recommendations in the Oil Sands Ministerial Strategy Report.

# CORE BUSINESSES, GOALS, STRATEGIES & PERFORMANCE MEASURES

## Core Business One: Spending Management and Planning

GOAL ONE

### 1 A coordinated and disciplined approach to government spending

**What it means** The Ministry of Treasury Board is the primary contact with ministries for all program budgeting and spending issues. The Ministry consults with other ministries regarding all new programs and initiatives that have spending implications.

As part of the government's overall budgeting and fiscal planning process, the Ministry is responsible for developing ministry spending targets and providing advice and recommendations to the Treasury Board Committee, Cabinet and Cabinet Policy Committees on program spending throughout the year. In addition, the Ministry reviews ministry business plans, advising on compliance with business plan standards.

The Ministry finalizes the Government Estimates and ministry business plan volumes as part of the government's accountability framework.

**Strategies**

1.1 Provide support, advice and recommendations to the Treasury Board Committee, Cabinet and Cabinet Policy Committees regarding ministry budgets and program spending allocations.

1.2 Consult with ministries to identify spending pressures and significant new initiatives, and work with the Ministry of Finance to identify the potential impact on the government's fiscal plan.

1.3 Lead a review of ministry programs to identify opportunities for more effective spending to achieve program objectives.

1.4 Assess the impact of approved capital projects on future ministry program budgets.

1.5 Review business plan standards and establish submission requirements for ministries.

**Performance Measures**

The Ministry of Treasury Board is a newly established Ministry and is in the process of developing performance measures that indicate progress made toward meeting this goal.

## Core Business Two: Strategic Capital Planning

GOAL TWO **2**

### Develop Alberta's Strategic Capital Plan to address capital requirements associated with Alberta's economic growth

**What it means** The Ministry of Treasury Board is responsible for developing the government's long-term strategic Capital Plan that will address the needs related to growth and assist in managing inflation in infrastructure costs. The capital planning process focuses not only on new capital infrastructure but also addresses maintenance of existing infrastructure.

The Ministry will explore alternative financing options for capital projects, including Public-Private Partnerships (P3s). The Ministry will develop relationships with other jurisdictions to build on their experience in alternative capital financing.

**Strategies**

2.1 Coordinate and lead the evaluation and prioritization of capital needs as part of the long-term government Capital Plan. In collaboration with capital program ministries, present recommendations to improve the capital planning process to Treasury Board Committee, Cabinet and Cabinet Policy Committees for approval.

2.2 Formulate a risk-management process for addressing deferred maintenance and how future operating and maintenance costs are addressed.

2.3 Present options to Treasury Board Committee, Cabinet and Cabinet Policy Committees to assist in managing capital inflationary pressures.

2.4 Develop and implement policies, standards and processes that ensure a disciplined approach to the management and control of capital spending, including the reporting and assessment of price and scope changes and performance results.

2.5 Collaborate with stakeholders and other jurisdictions (eg. British Columbia) to develop opportunities to pursue alternative financing options, such as Public-Private Partnerships, where cost effective and feasible.

2.6 Further develop Public-Private Partnerships (P3s) guidelines to provide consistent standards, policies and accountabilities across capital projects.

**Performance Measures**

The Ministry of Treasury Board is a newly established Ministry and is in the process of developing performance measures that indicate progress made toward meeting this goal.

## Core Business Three: Accountability in Government

GOAL THREE **3**

### A coordinated and disciplined approach to the management of government accountability

**What it means** The Ministry of Treasury Board coordinates the government's legislated commitment to be accountable to Albertans through publishing the Government of Alberta Strategic Business Plan, annual performance report, audited financial statements and other supplementary financial information as required by the *Government Accountability Act*.

The Ministry supports all government ministries and agencies by providing advice and assistance in developing risk management processes, accounting and financial management policy.

**Strategies**

3.1 Refine the Government of Alberta's financial policies to address current issues.

3.2 Work with the Public Sector Accounting Board in the implementation of accounting and performance reporting standards and policies to provide improved accountability.

3.3 Contribute to a governance review that provides recommendations on how the government can improve the transparency, accountability and governance of its agencies, boards and commissions.

3.4 Participate in the development and introduction of measures to benchmark improvements in the quality of life for all Albertans.

**Performance Measures**

Performance measure under development. Satisfaction level of Provincial Audit Committee with the Government of Alberta Annual Report.

## Core Business Four: Corporate Internal Audit Services

GOAL FOUR **4**

### Objective, risk-based audit services that improve government programs and services

**What it means** The Ministry of Treasury Board conducts internal audits, on a risk-prioritized basis, across the Government of Alberta and its ministries. These audits are based on a systematic and disciplined approach to evaluating and improving the effectiveness of ministries' risk management, control and governance systems while maintaining the independence required by the standards of the Institute of Internal Auditors.

**Strategies**

4.1 Consult with ministries to identify significant risks to the achievement of their program and service goals.

4.2 Provide ministries with a disciplined approach to evaluating and improving the effectiveness, efficiency and economy of their programs and services.

4.3 Examine cross-government issues, providing assurance and advice to the Internal Audit Committee and internal government councils.

4.4 Create policies and implement processes that will ensure the development of risk-prioritized audit plans.

**Performance Measures**

Performance measure under development. Satisfaction rating received from the Internal Audit Committee.

## Core Business Five: Oil Sands Sustainable Development Secretariat

### GOAL FIVE 5 Managing growth and development in oil sands areas

**What it means**

In February 2007, the Oil Sands Ministerial Strategy Committee issued its report on oil sands areas of the province, "Investing in Our Future: Responding to the Rapid Growth of Oil Sands Development." This report provides 30 recommendations to address the current and anticipated challenges from growth and development in oil sands areas. The report recommends the government establish an Oil Sands Sustainable Development Secretariat to support the Oil Sands Ministerial Strategy Committee. The Secretariat is tasked with developing a work plan and, in collaboration with other ministries, industry, communities and other stakeholders to oversee the implementation of the work plan.

**Strategies**

5.1 Lead the development of a work plan to ensure the coordinated implementation of the government's response to the Oil Sands Ministerial Strategy Committee Report.

5.2 Collaborate with other ministries, industry, communities and other stakeholders to facilitate a common approach to address the social, environmental and economic impacts of oil sands development.

5.3 Manage and direct, in consultation with other government ministries, the provincial delivery of infrastructure and services to the Regional Municipality of Wood Buffalo and other oil sands areas.

**Performance Measures**

The Ministry of Treasury Board is a newly established Ministry in the process of developing performance measures that indicate progress made toward meeting this goal.

## EXPENSE BY CORE BUSINESS

(thousands of dollars)

| | Comparable | | | | | |
|---|---|---|---|---|---|---|
| | 2005-06 Actual | 2006-07 Budget | 2006-07 Forecast | 2007-08 Estimate | 2008-09 Target | 2009-10 Target |
| Spending Management and Planning | 2,632 | 2,912 | 2,925 | 4,396 | 4,531 | 4,635 |
| Strategic Capital Planning | 422 | 922 | 901 | 4,755 | 4,877 | 4,902 |
| Accountability in Government | 1,874 | 2,084 | 2,096 | 3,357 | 3,476 | 3,564 |
| Corporate Internal Audit Services | 2,013 | 3,840 | 2,914 | 5,232 | 5,305 | 5,378 |
| Oil Sands Sustainable Development Secretariat | - | - | - | 1,400 | 1,410 | 1,420 |
| **MINISTRY EXPENSE** | 6,941 | 9,758 | 8,836 | 19,140 | 19,599 | 19,899 |

## MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

| | Comparable | | | | | |
|---|---|---|---|---|---|---|
| | 2005-06 Actual | 2006-07 Budget | 2006-07 Forecast | 2007-08 Estimate | 2008-09 Target | 2009-10 Target |
| **REVENUE** | | | | | | |
| Other Revenue | 26 | - | - | - | - | - |
| **MINISTRY REVENUE** | 26 | - | - | - | - | - |
| **EXPENSE** | | | | | | |
| **Program** | | | | | | |
| Ministry Support Services | - | 785 | 785 | 1,633 | 1,679 | 1,725 |
| Secretariat of Treasury Board | 121 | 121 | 121 | 868 | 881 | 899 |
| Oil Sands Sustainable Development Secretariat | - | - | - | 1,100 | 1,100 | 1,100 |
| Corporate Internal Audit Services | 2,013 | 3,652 | 2,714 | 4,932 | 4,995 | 5,058 |
| Office of the Controller | 1,874 | 1,897 | 1,897 | 3,057 | 3,166 | 3,244 |
| Spending Management and Planning | 2,572 | 2,647 | 2,647 | 3,600 | 3,718 | 3,803 |
| Strategic Capital Planning | 361 | 656 | 622 | 2,239 | 2,285 | 2,292 |
| Alternative Capital Financing Office | - | - | - | 1,711 | 1,775 | 1,778 |
| Valuation Adjustments and Other Provisions | - | - | 50 | - | - | - |
| **MINISTRY EXPENSE** | 6,941 | 9,758 | 8,836 | 19,140 | 19,599 | 19,899 |
| Gain (Loss) on Disposal of Capital Assets | - | - | - | - | - | - |
| **NET OPERATING RESULT** | (6,915) | (9,758) | (8,836) | (19,140) | (19,599) | (19,899) |

## CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

| | Comparable | | | | | |
|---|---|---|---|---|---|---|
| | 2005-06 Actual | 2006-07 Budget | 2006-07 Forecast | 2007-08 Estimate | 2008-09 Target | 2009-10 Target |
| Ministry Revenue | 26 | - | - | - | - | - |
| *Inter-ministry consolidation adjustments* | - | - | - | - | - | - |
| **Consolidated Revenue** | 26 | - | - | - | - | - |
| Ministry Expense | 6,941 | 9,758 | 8,836 | 19,140 | 19,599 | 19,899 |
| *Inter-ministry consolidation adjustments* | - | - | - | - | - | - |
| **Consolidated Expense** | **6,941** | **9,758** | **8,836** | **19,140** | **19,599** | **19,899** |
| Gain (Loss) on Disposal of Capital Assets | - | - | - | - | - | - |
| **CONSOLIDATED NET OPERATING RESULT** | (6,915) | (9,758) | (8,836) | (19,140) | (19,599) | (19,899) |

# Alberta Heritage Savings Trust Fund

BUSINESS PLAN 2007-10

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The Business Plan was reviewed and approved by Treasury Board on February 21, 2007, and by the Legislature's Standing Committee on the Alberta Heritage Savings Trust Fund on March 5, 2007.

## INTRODUCTION

This is the tenth business plan for the Alberta Heritage Savings Trust Fund (Heritage Fund), which amends the previous business plans and incorporates updated financial information and income forecasts. The plan sets out specific investment objectives, goals and strategies to achieve the Heritage Fund's objectives as expressed in the legislation.

## MISSION

To provide prudent stewardship of the savings from Alberta's non-renewable resources by providing the greatest financial returns on those savings for current and future generations of Albertans.

## BACKGROUND

- The Heritage Fund was created in 1976 to save a portion of Alberta's non-renewable resource revenue. From inception until 1987, the government set aside part of the Province's oil and gas revenue in the Fund. Since 1982 income from the Fund has been transferred to the General Revenue Fund and, to date, about $30 billion of investment income has been made available to fund government priorities such as health care, education and infrastructure.

- On January 1, 1997, the Heritage Fund was restructured in response to a public review and the Fund is now managed as an endowment fund with the goal to maximize long-term returns at an acceptable level of risk. The restructuring included a new governance model as well as the establishment of new investment objectives and performance measures. The Fund is not to be used for economic development or social investment purposes.

- Past public consultations have confirmed the importance of the Heritage Fund as an endowment, underscoring the need to preserve its real value over the long-term. The *Alberta Heritage Savings Trust Fund Act* includes an inflation-proofing provision requiring a portion of the Heritage Fund income to be retained to protect its real value. Regular inflation-proofing of the Heritage Fund started in 2005-06 once the Province's accumulated debt was eliminated.

- The Fund consists of investments in bonds, equities, real estate, derivatives and alternative investments such as private investments and timberlands. The Fund's assets are prudently managed with a long-term focus. The assets of the Heritage Fund are invested globally with allocations to Canada, the United States, Europe, Asia, and the Far East.

- Assets and income of the Heritage Fund are fully consolidated with the assets and revenue of the Province. All income earned during a fiscal year, except for amounts retained for inflation-proofing, is transferred to the Province's General Revenue Fund and is used to pay for government programs and services.

- In 2006-07, income of the Heritage Fund is forecast to be almost $1.8 billion. Of this amount, $202 million will be retained in the Fund to provide the inflation-proofing required by legislation and the balance of almost $1.6 billion will be transferred to the government's General Revenue Fund.

- The fair value of the Heritage Fund is forecast to be $16.3 billion at March 31, 2007, up from $14.8 billion at March 31, 2006. In addition to growing by $585 million due to inflation-proofing, the value of the Fund has increased over the past two years as a result of a total of $3 billion in deposits made by the government. In each of 2005-06 and 2006-07, the government deposited $1 billion from the surplus into the Fund. The government also made contributions of $750 million in 2005-06 and $250 million in 2006-07 into the Heritage Fund on behalf of the Access to the Future Fund*

## FUND GOVERNANCE

The Minister of Finance is responsible for the management and investment of the Fund and is required to report on the performance of the Fund within 60 days of the end of each quarter and make public the annual report within 90 days of the end of the fiscal year. The Minister of Finance prepares the business plan and presents it for approval to Treasury Board and the Standing Committee on the Alberta Heritage Savings Trust Fund.

When investing the assets of the Fund, the *Alberta Heritage Savings Trust Fund Act* requires the Minister to adhere to investment policies, standards and procedures that a reasonable and prudent person would apply in respect of a portfolio of investments to avoid undue risk of loss and obtain a reasonable return.

The *Alberta Heritage Savings Trust Fund Act* requires there to be a Standing Committee on the Alberta Heritage Savings Trust Fund, which has representation from the major parties of the Legislature. The Standing Committee reviews quarterly reports and approves the business plan and annual report of the Fund. The Committee also reviews the performance of the Fund after each fiscal year end and reports to the Legislature whether the mission of the Heritage Fund is being fulfilled. The Standing Committee also conducts public meetings on an annual basis in different locations in the province. The purpose of these meetings is to update Albertans on the management of the Fund, answer questions and solicit input on its objectives.

The Minister of Finance established the Endowment Fund Policy Committee in 2003, adding private sector advice to the formulation of the Fund's investment policies. The Committee reviews and makes recommendations to the Minister of Finance with respect to the business plan, annual report and investment policy statements of the Fund. The Committee meets regularly to review performance and fund management.

The Heritage Fund is managed by Alberta Investment Management, a group of qualified and experienced professionals in Alberta Finance, according to the investment policies set out by the Minister of Finance. External specialized private sector investment managers are used to manage specific investment mandates. Alberta Finance is currently in the process of converting Alberta Investment Management into a provincial corporation. The anticipated benefits of a provincial corporation structure include stronger organizational governance, increased operational flexibility and a more focused strategy resulting in an expectation of higher investment performance.

The business plan of the Heritage Fund is published as part of the provincial budget.

The Auditor General is the auditor of the Heritage Fund.

**Note:**

* The Access to the Future Fund was created by the government in 2005-06. The money contributed to the advanced education endowment within the Heritage Fund is invested with other Heritage Fund assets. Earnings from the principal amount go to the Access to the Future Fund administered by the Minister of Advanced Education and Technology and are used to provide seed money for innovations in the post-secondary system, matching grants to stimulate private, industry, and other contributions to the advanced learning system.

# GOALS, STRATEGIES AND PERFORMANCE MEASURES

GOAL ONE 1

## Maximize long-term returns at an acceptable level of risk while preserving the real value of Heritage Fund assets

**What it means** Investment income from the Heritage Fund is an important component of the government's fiscal plan. All Fund income, except for amounts retained for inflation-proofing, is transferred to the General Revenue Fund and used to fund Albertan's priorities. The Fund must be invested in such a way as to maximize returns without taking undue risk. It is widely accepted that a prudent mix of fixed income securities, Canadian and foreign equities, real estate and alternative asset classes best achieves the objective of optimizing financial returns and diversifying risk.

The *Alberta Heritage Savings Trust Fund Act* provides for the maintenance of the Fund's real value by requiring the Heritage Fund to be inflation-proofed.

**Strategies**

1.1 Implement the policy asset mix as per the Heritage Fund's Investment Policy Statement, as shown in Table 1. This policy asset mix provides for increased investments in the private equity and private income asset classes to improve risk/return trade-offs.

1.2 Periodically review investment policies to ensure new products are considered and that the asset mix remains appropriate under the prevailing market circumstances.

1.3 Actively manage the Fund with the objective of adding value above the benchmark portfolio without assuming undue risk. This could include a variety of strategies such as derivatives-based strategies.

1.4 Vary the allocation among asset classes based on the manager's market views to enhance returns.

1.5 Inflation-proof the fund by retaining a portion of Heritage Fund income equal to the starting value of the Fund at the end of the fiscal year multiplied by the percentage increase in the Canadian gross domestic product price index. This will allow the Heritage Fund to grow with inflation over time.

| **Performance Measures**[1] | **Last Actual 2005-06** | **Target 2007-08** | **Target 2008-09** | **Target 2009-10** |
|---|---|---|---|---|
| **One Year Performance** | CPI plus | CPI plus | CPI plus | CPI plus |
| • Asset mix return[2] | 11.6%[5] | 4.5% | 4.5% | 4.5% |
| • Active management return[3] | 1.40% | 0.60% | 0.75% | 1.00% |
| **Five Year Performance**[4] | CPI plus | CPI plus | CPI plus | CPI plus |
| • Asset mix return[2] | 11.6%[5] | 4.5% | 4.5% | 4.5% |
| • Active management return[3] | 1.40% | 0.53% | 0.59% | 0.67% |

**Notes:**

1 All returns are net of fees unless otherwise noted.

2 Asset mix return is used to determine whether the asset mix as set out in the Investment Policy statement is achieving expected returns. The asset mix return is measured by calculating the returns the policy would have delivered without active management.

3 Active management return is used to measure the impact of active fund management on investment performance. It is calculated as the difference between actual investment returns and the asset mix return.

4 Calculation of this performance measure began in 2005-06 and is being phased in for the future years. Accordingly, the actual results reflect the performance from 2005-06 alone.

5. Total return for the fiscal year was 15.4% while the asset mix return was 13.8 per cent. The Consumer Price Index rose by 2.2 per cent during the fiscal year.

## TABLE 1: Current Policy Allocation and Benchmarks

| Allocation | Policy Benchmark[1] | Actual Asset Mix at Dec. 31, 2006[2] | Long-Term Target Asset Mix |
|---|---|---|---|
| **Cash & Absolute Return Strategies** | | | |
| Money Market | Scotia Capital 91-Day Treasury Bill | 0.3% | 1.0% |
| Absolute Return Strategies | HFRX Global Investable Index – Hedged C$ | 4.8% | 5.0% |
| **Fixed Income** | | | |
| Public Fixed Income | Scotia Capital Universe Bond Index | 29.8% | 29.0% |
| **Inflation Sensitive** | | | |
| Real Estate | Investment Property Databank Large Institutional Property Index | 10.2% | 10.0% |
| Private Income[3] | CPI + 6% | 1.1% | 4.0% |
| Timberland[3] | CPI + 4% | 0.3% | 2.0% |
| **Equities** | | | |
| Canadian | Standard & Poor's / TSX Composite Index | 16.3% | 15.0% |
| US | Standard & Poor's 1500 Index | 17.7% | 15.0% |
| Non-North American | Morgan Stanley Capital International Europe, Australasia, Far East | 17.2% | 15.0% |
| Private Equity[3] | CPI + 8% | 2.3% | 4.0% |
| **Total** | | **100.0%** | **100.0%** |
| **Overlay Strategies** | | | |
| Active Currency Overlay[4] | | 0.2% | 5.0% |
| Absolute Return Strategies Overlay[5] | | 3.5% | 5.0% |

**Notes:**

1 Descriptions of the benchmarks are shown in Appendix B.

2 Asset mix is shown on an accounting basis.

3 Higher allocations to private income, private equity and timberlands will be subject to the availability of attractive opportunities.

4 Allocations to active currency overlays are shown as targeted notional exposure. These strategies have notional exposure to various currencies, but generally have near zero net exposure.

5 Absolute return strategy overlays are investments in absolute return strategies that are used in conjunction with public equity indices to enhance portfolio returns.

# RISKS TO ACHIEVING GOAL AND PERFORMANCE MEASURES

If the Fund's income is less than expected the government fiscal plan will be affected. Similarly, if the Fund fails to earn enough to keep pace with inflation, its real value will fall. Investment returns and income will vary significantly from year to year, and may underperform investment expectations for extended periods of time for the following reasons:

- The well-established capital market principle is that increased expected returns are accompanied by increased risk. However, it does not always follow that increased risk enhances return. Diversification among various asset classes lowers but does not eliminate the risk of loss.

- An investment policy to maximize long-term returns implies a higher weighting towards equities. Equities have historically provided investors with higher total returns (dividends and capital gains) than fixed income investments. However, dividend yields in general are lower than interest rates, so an equity portfolio will provide lower current income while the magnitude and timing of capital gains are uncertain. Equity markets have had negative returns in the past.

- A well-implemented private equity portfolio can provide investment returns above those of public equities. However, by their nature, private equity investments are significantly riskier than public equity investments and are associated with an investment horizon of five to ten years to realize investment gains. Some private-equity investments are subject to potentially large or total investment loss.

- Private income investments (e.g., infrastructure investments, bridge loans, and other corporate financing arrangements) provide current income, diversification and an inflation hedge. However, these types of investments are subject to a number of risks, including illiquidity, loss of principal and reduced income.

- Absolute return strategies have gained prominence in recent years with an expectation of stable returns. However, this market is very fragmented with investment fees above those of traditional managers. In some cases there have been large losses sustained in the industry by otherwise well-informed and highly professional investors. Manager selection and oversight are therefore critical to successful implementation.

- In the implementation of the Fund's investment policies, the manager will use a variety of investment strategies, including short selling. Short selling involves borrowing and selling a security, basket of securities or an index that one does not otherwise own. Shorting is used to hedge positions, provide liquidity and enhance returns. Short selling introduces a number of issues including leverage, risk management, market risk and operational complexity. The risks of an investment strategy, including short selling, are mitigated by adherence to investment policies and internal controls, strong risk management, and oversight by management.

GOAL TWO

## 2

## Ensure the transparency of the Heritage Fund's objectives and results for Albertans

**What it means** Published reports and news releases will provide Albertans with access to understandable information to enhance awareness of the Heritage Fund.

**Strategies**

2.1 Release quarterly and annual reports on a timely basis in simple, understandable language.

2.2 Release summary reports of the Heritage Fund's investment activities and results for Albertans on a timely basis.

2.3 Publish the Heritage Fund Business Plan annually.

2.4 The Legislature's Standing Committee holds annual public accountability meetings around Alberta to report on the Heritage Fund's results and to answer questions on the Fund's performance.

**Performance Measures under development**

- Timeliness of reports and public accountability meetings.
- Annual report will be released by June 30 of each year.
- Quarterly reports will be released within two months after the end of the quarter.

# INCOME AND EXPENSES

## TABLE 2: Heritage Fund Income Forecast

| Forecast Annual Income ($millions) | 2006-07 | 2007-08 | 2008-09 | 2009-10 |
|---|---|---|---|---|
| Unconsolidated investment income | 1,753 | 1,219 | 1,224 | 1,310 |
| Amounts retained for inflation-proofing | 202 | 284 | 305 | 311 |
| Transfer to General Revenue Fund | 1,551 | 935 | 919 | 999 |
| **Forecast fair value of the Fund ($ billions)** | **16.3** | **16.5** | **17.0** | **17.3** |

The Heritage Fund income forecast is supported by the assumptions shown in Appendix A.

- The income forecasts include interest income, dividend income and realized capital gains or losses.

- Capital gains and losses on traditional investments are not recognized as income until the investment is sold or, given a significant loss that is expected to be permanent, is written down. Therefore, gains and losses that are included in reported market value rates of return may not be immediately reflected in income reported in the financial statements. (In the case of equity index swaps and futures contracts, gains and losses are realized in income as they occur).

- The Heritage Fund records investments at cost, which exclude unrealized gains and losses. The fair value of investments is provided for information purposes. The Canadian Institute of Chartered Accountants public sector accounting standards regarding the accounting and reporting of financial instruments at fair value for governments are currently under review.

- Actual income and fair value results will vary from projections based on the extent to which actual market returns and interest rates vary from the assumptions used.

# RISKS TO THE INVESTMENT INCOME FORECAST

- Fund income is dependent on both cash income (e.g. from dividends and interest) and realized capital gains (losses). Although cash income is relatively stable, capital gains are uncertain and subject to large variance.

- If equity returns are lower than assumed, investment income could be lower because stocks in the Fund could be sold for smaller gains than anticipated, or possibly for losses, depending on the extent of turnover in the various equity portfolios.

- If interest rates go up, the market price of bonds held by the Fund would typically decline. Sales of these bonds would produce smaller gains than expected, or, perhaps, losses, depending on the amount and timing of turnover in the portfolio.

- There are other risks in the portfolio including exchange rate movements and commodity price changes. The Fund has investments in foreign assets such as U.S. equities which are not hedged into Canadian dollars. If the Canadian dollar were to appreciate then this would detract from return. The Fund also has investments in commodity based securities such as timberland, which are sensitive to fluctuations in commodity prices.

## TABLE 3: Heritage Fund Expense Forecast[1]

| **Forecast Annual Expenses ($millions)** | **2006-07** | **2007-08** | **2008-09** | **2009-10** |
|---|---|---|---|---|
| Direct management costs | 2.6 | 2.7 | 2.7 | 2.8 |
| Externally-managed investment pools | 51.8 | 59.9 | 66.3 | 71.4 |
| Internally-managed investment pools | 5.3 | 5.7 | 5.9 | 6.0 |
| **Total** | **59.7** | **68.3** | **74.9** | **80.2** |
| As a percentage of fair value | 0.37% | 0.42% | 0.44% | 0.46% |

**Note:**

1 Due to factors such as differences in assumed and actual experience in asset class allocations and growth in the size of the Heritage Fund, actual expenses may differ from forecast expenses. Forecast expenses do not include external manager performance fees. The forecast reflects a change in methodology as compared to prior years' business plans. Most notably, expenses in certain alternative asset classes have been forecast based on committed capital. In 2007-08, a new cost system will be used to report Heritage Fund expenses.

- After fees, active management of the Fund produced approximately $190 million in 2005-06.

- Administrative expenses include both direct and indirect administrative expenses, which include staff time, supplies and services, investment service costs and advisory services.

# APPENDIX A:

## Return and Asset Mix Assumptions

| **Long-Term Capital Market Rate of Return Expectations** | | | | |
|---|---|---|---|---|
| Canadian public equities | 7.00% | | | |
| Foreign public equities | 8.00% | | | |
| Real estate | 7.00% | | | |
| Private investments | 9.70% | | | |
| Timberland | 7.80% | | | |
| Absolute return strategies | 6.00% | | | |
| **Budget Assumptions** | **2006-07** | **2007-08** | **2008-09** | **2009-10** |
| 10-year bond rate | 4.15% | 4.25% | 4.50% | 4.75% |
| C$/US$ exchange rate | .8790 | .8600 | .8690 | .8700 |
| **Asset Mix Weights**[1] | | | | |
| Money market | 1% | | | |
| Absolute return strategies | 5% | | | |
| Fixed income | 29% | | | |
| Real estate | 10% | | | |
| Public equities | 45% | | | |
| Private investments | 8% | | | |
| Timberland | 2% | | | |

**Note:**

[1] The assumptions for 2006-07 reflect the average asset class weights assumed by the forecast model, which take into account actual experience to December 31, 2006 and the asset mix policy delineated in the 2006-09 Business Plan.

# APPENDIX B:

## Definitions of Benchmark Indices

**Consumer Price Index**

Measures the rate of inflation in Canada as published by Statistics Canada.

**HFRX Global Investable Index (Hedged C$)**

An index maintained by the Hedge Fund Research, Inc. that utilizes an objective rules-based methodology to diversify across hedge fund managers that have low correlations to traditional asset classes. This index is rebalanced quarterly and is passively investable. This is a U.S. dollar denominated index where the U.S. currency exposure is passively hedged back into Canadian dollars.

**ICREIM/IPD Large Institutional All Property Index**
An index maintained by the Institute of Canadian Real Estate Fund Managers / International Property Databank that measures the total return from the six largest Canadian peer funds, which individually have real estate portfolios valued greater than $1.5 billion.

**Morgan Stanley Capital International Europe, Australasia, Far East Index**
An index maintained by the MSCI Index Committee that is designed to measure developed public market equity performance, excluding the U.S. and Canada. As of December 2005, the index consisted of 21 developed market country indices representing approximately 85 per cent of the market value of securities listed in the included countries.

**S&P/TSX Composite Index**
An index maintained by the S&P/TSX Canadian Index Policy Committee that measures the return on the largest companies and trust units listed on the Toronto Stock Exchange.

**Scotia Capital 91-day T-Bill Index**
An index maintained by Scotia Capital that represents the performance of Government of Canada 91-day Treasury Bills.

**Scotia Capital Universe Bond Index**
An index maintained by Scotia Capital that tracks the performance of most marketable, domestically issued, Canadian bonds with terms to maturity of more than one year. This index comprises Canada's, provincial, municipal and AAA- through BBB-rated corporate issuers.

**Standard & Poor's Composite 1500 Index**
An index maintained by Standard & Poor's Index Committee that combines the S&P 500, S&P MidCap 400, and S&P SmallCap 600 indices to create a broad market portfolio representing approximately 90 per cent of the market value of U.S. public equities.

# APPENDIX C:

## Definitions of Terms Used in the Business Plan

**Absolute Return Strategy**
Absolute return strategies encompass a wide variety of investments with the objective of realizing positive returns regardless of the overall market direction. Investments in absolute return strategies are made through multi-hedge fund-of-funds and direct investments to increase strategy diversification.

**Active Management**
Managing the investments of a portfolio with the objective of outperforming the return of its benchmark. Active management generally takes two forms - security selection or asset allocation decisions. Security selection is the buying and selling of particular securities to earn a return above a market index. Asset allocation refers to changing asset class or sector weights to earn a return above what would be available from maintaining the asset class or sector weight in the benchmark.

**Asset Allocation**
The investment process by which the investment manager chooses or allocates funds among broad asset classes such as stocks and bonds.

**Asset (or Investment) Class**
Refers to a broad category of investments with similar characteristics (the typical asset classes are cash, stocks, bonds and real estate).

**Benchmark**
A standard against which performance is measured. Common benchmarks used in investment management are the Scotia Capital Universe Bond Index for Canadian fixed income, the S&P/TSX Composite Index for Canadian public equities, the S&P 1500 Index for U.S. public equities, among others.

**Bond**
A bond is a financial instrument representing a debt where the issuer (corporation or government) promises to pay to the holder a specific rate of interest over the life of the bond. On the bond's maturity date, the principal is repaid in full to the holder.

**Capital Gain (or Capital Loss)**
The market value received on the sale of an asset, which is higher (lower) than its purchase price (also called cost or book value). If an asset is bought for $50 and sold for $75, the realized capital gain or profit is $25.

**Diversification**
Diversification is a process of allocation of investment assets within an Asset Class and among asset classes. Diversification is intended to reduce risk.

**Dividends**
Earnings distributed to shareholders of a company, proportionate to their ownership interest.

**Equities**
Equities are synonymously called stocks or shares and represent an ownership interest in a company (could be either a public or private firm). Shareholders normally have voting rights and may receive dividends based on their proportionate ownership.

**Fixed Income Securities**
An investment that is required to pay a fixed interest rate at periodic intervals such as bonds, mortgages and debentures.

**Inflation**
Increases in the general price level of goods and services. Inflation is one of the major risks to investors over the long-term as savings may actually buy less in the future.

**Investment Grade**
An investment grade bond is rated a minimum of BBB (or equivalent) by a rating agency, with AAA being the highest grade. Bonds rated below BBB are generally classified as being speculative grade and carry higher levels of credit risk than investment grade bonds (i.e., they have a higher probability of default on interest or principal payments).

**Liquidity**
The ease with which an investor can buy or sell an investment at a fair market price.

**Money Market Instruments**
Debt instruments such as Treasury Bills or corporate paper with a maturity of less than one year.

**Nominal Rate of Return**
A measure of the earnings performance of a fund measured in current dollars.

**Portfolio**
A collection of investments owned by an investor.

**Private Equity**
An equity investment in a private (not publicly traded) company.

**Private Income**
A private investment that is structured to provide high current income. Examples of investment opportunities considered to be private income include infrastructure projects, bridge loans and corporate finance arrangements.

**Real Rate of Return**
The nominal rate of return minus the rate of inflation.

**Realized/Unrealized**
Terms generally used to describe capital gains or losses. A gain or loss is generally realized when an asset is sold; prior to sale the gain or loss is unrealized and it is only a potential or "paper" gain or loss.

**Swaps**
Financial agreements whereby counterparties agree to exchange the returns they earn on their respective assets. For example, an investor might swap the return from his bond portfolio for the returns of another investor's stocks and vice versa.

**Timberland**
Refers to investment in privately owned areas of woodland; that is, forested areas consisting of both hardwood and softwood species. When responsibly managed, timberland investments are a renewable and sustainable resource that responds to demand for lumber and paper products, and provides benefits such as diversification, an inflation hedge, and relatively high yield within the context of a portfolio.

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